

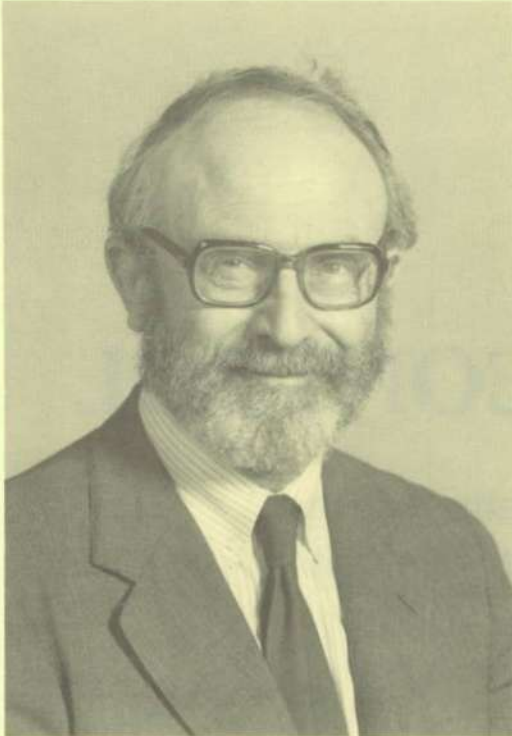
Commencement

TAKING CONTROL

Commencement Address
The Ohio State University
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delivered by

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of the American Free Enterprise System



Albert Shapero, Professor of Management Sciences and the holder of the William H. Davis Chair in the American Free Enterprise System, is a leading authority on entrepreneurship and small business. His achievements and honors have brought him national and international recognition and great credit to The Ohio State University.

In addition to his interest in entrepreneurship and small business, Professor Shapero has published numerous articles on economic and industrial development and management of professional activities.

He has served as a consultant to many organizations including the U.S. Small Business Administration, the U.S. Department of Energy, the United States Air Force, Stanford Research Institute, the National Science Foundation and numerous industrial concerns.

His outstanding accomplishments in the areas of entrepreneurship and managerial design exemplify the scholarly excellence that is The Ohio State University.

Mr. President, Honored Guests, University Leaders, Faculty, Graduates and Families and Friends of Graduates

This is a great day, an auspicious day for you graduates, your parents, spouses and friends, and for us in the University who have a small share in your fulfillment. It has become my honor to help mark this occasion by painting it with words relevant to your step from the very familiar into the unknowable future. To do this thing I will use figures and colors obtained from twenty years of studying entrepreneurs, a cast of characters who know all about wrestling successfully with the unfamiliar and the unexpected.

In the Academia Museum in Florence there is a passage leading to Michelangelo's magnificent statue of the young David. Along both sides of the passage are arrayed four large blocks of marble with a heavy, incompletely delineated figure emerging from each. They are Michelangelo's "I Prigione," The Prisoners.

For me these figures have always been the prime metaphor for education. Each individual comes into the world encased in a block of marble, and it is the efforts of parents and teachers, together with the events of life and what the individual does, that combine to release that individual from the block in which he or she is encased. Indeed, Michelangelo saw it in the same terms and usually worked from the front of a block to free the figure which he considered to be imprisoned within the marble.

Until now, for most of you, parents and educators have worked, chipping away at the imprisoning marble, uncovering what they hope is the true potential figure, without disfiguring or damaging that figure. Now, today, we share a critical moment in the process; a time of passage. This is a moment in which the working of the stone changes hands. You are at a potential decision point with much to say about what happens to the process of discovery of the figure that is the potential you.

For most of you this is the first opportunity to take what is, perhaps, *the* major decision of life; the decision to "take control." I am not speaking about control of others or of control over events. I am speaking about taking control of your life, of having a major say in what you do and who you are. I am speaking of a decision to take control of the process of freeing yourself from the enclosing stone.

Your graduation is one of the few points in your life where the decision to take part in shaping your life is obvious. Too often the decision comes as the result of one of life's abrupt jolts. Sometimes the decision comes almost imperceptibly at the end of a long, long process. There is also the prospect that you may not see the choice at all. Or, sadly, seeing the choice, you may consciously decide not to take control at all.

Unfortunately, one byproduct of higher education in an era dominated by a search for large, neat, encompassing models is a readiness to perceive individuals as driven by forces and events beyond their control. As a result of your education you may ask the classic questions of whether humans have free will and whether one really can have control.

I will avoid the deeper philosophical issues, however, to tell you about people who think and act as if they have free will. I want to tell you what they're like, and how they perceive the world. I do this with the express purpose of catching your fancy, sandpapering your nerve ends, eliciting your desire to join them by making the decision to take control. It is an internal decision even when forced by external events. It is a voluntary arrangement of your inner forces, a deliberate shift of your inner forces, a deliberate shift of your internal center of gravity.

For more than 20 years I have been fascinated by and have studied entrepreneurs; the most obvious example of people who have taken apparent control of their own lives. I have studied entrepreneurs in Brazil and in Northern Italy, black and colored entrepreneurs in South Africa, PhD entrepreneurs in Texas, and a full spectrum of entrepreneurs in Columbus, Ohio. To study entrepreneurs for any length of time is to gain the illusion that the world is divided into two categories of people; those who act as if they have free will and all the rest. Let me add, to teach entrepreneurship is to gain a feeling that you are engaged in transforming people from one category to the other.

Studies of entrepreneurship have been made in many cultures, in many countries, across a broad spectrum of industries and time periods. As the data accumulates a clearly etched pattern emerges. The Zulu and Xhosa entrepreneurs I worked with in South Africa, the Northern Italians, the Brazilians and the Texas PhD's express common reactions to the events in their lives and manifest similar motivations.

The primary, driving motivation of the entrepreneur is independence. The motivation of the entrepreneur is not money as is popularly assumed. In hundreds of interviews in many countries my colleagues and I have asked entrepreneurs how much money they would take to work for someone else, to become a manager in a corporation. No matter how they've complained about the difficulty of dealing with the economy, government regulations and the unions, the answer is always the same, "There is no way I will work for others!" or the answer is, "I will take 500% of my current income and I will be in charge!" When asked what they would do if they lost their companies through some act of God, the answer is unhesitating, "Start another company." One study found that each of the heads of companies acquired by major corporations in the sample intended to leave and start another company.

It is interesting that a number of sociologists and economists who have had occasion to include entrepreneurs in their studies take exception to the statements of entrepreneurs who tell them that they value their independence. "No!" write the tenured scholars, "They're wrong! They are not free. They depend on their customers and the big companies and the economy. If they had the chance, they'd opt for jobs with security and fringe benefits." The scholars I refer to make such statements despite their surprise that many of those studied are skilled workers perfectly capable of obtaining employment in established companies.

How can we explain the power and attractiveness of this illusion of control over one's own life? Street hawkers in Monterrey, Mexico and Bombay, India love their independence, and, in response to questioners, claim they are happy. A Xhosa entrepreneur in South Africa expressed it all when asked how much money he would take to work for someone else. He answered, "I'll never wear another man's collar again." Those who take control of their own lives will not be imprisoned again for any length of time.

Based on my years of study I find each entrepreneur has made the decision to take control. Each knows he or she can change events. Each knows that one's life space can be affected by his or her actions. Nowhere is the entrepreneur's view of the world more clear than when it comes to taking risks. Conventional wisdom portrays the entrepreneur as a taker of risks, but is someone a risk taker who does not perceive the risk? The great majority of my entrepreneurs tell me they did not perceive much risk in starting their companies. The entrepreneur is not a cool and bloodless analyst calculating the odds of some venture for someone else's decisions and actions. The entrepreneur sees the odds as being affected by his or her personal intelligence, creativity, dedication and persistence.

Those individuals who make the vital decision to take control of their lives differ significantly from those who don't. Recent studies show that entrepreneurs tolerate ambiguity far more easily than corporate managers. They deal more easily with the messy world we inhabit. They survive without assurance of next week's schedule or next month's paycheck. Unlike corporate managers, entrepreneurs

do not believe that powerful others control their lives, the sickness of captives. Entrepreneurs know that they may fail, but not because of powerful others. The record is rich with the stories of entrepreneurs who have failed more than once, but who have treated failure as a learning experience, and picked themselves up to start again.

Entrepreneurs are optimistic. They think the future can be good, and that they can make it so. Each new company formation is someone's personal commitment to the future, an act little affected by averages and probabilities. There is my 72-year old in Texas who started a solar energy company expecting to become the biggest factor in the field in ten years time. There are the three French engineering classmates in their 70's who started an engineering company. There is the Zulu in South Africa who started a shoe repair shop at the age of 102. Somehow, that Zulu was clearly not concerned with burnout or in need of a seminar on how to develop hobbies in his golden years.

Entrepreneurs are creative. Each new venture is in itself a creative expression requiring a host of innovations to keep it functioning in the face of the onrush of a thousand unexpected events. To survive the unknown future, to keep that first creativity alive, the entrepreneur is forced to take creative actions and thus to grow creatively since creativity is a characteristic that feeds on itself.

The entrepreneurial decision to take control affects every aspect of life. In a study of long term survivors of dire diseases, I find that they, like the entrepreneurs, do not believe their lives are controlled by powerful others. A similar outlook is found among managers under stress who do not get ill and among those suffering illness who most quickly return to work.

Entrepreneurs are not born, they become. Though some of my colleagues believe that entrepreneurs are born and the task of the teacher is to identify the elite and hone their skills, I tell you they are wrong. My erring colleagues suffer from a belief rooted in the Middle Ages when the teacher's task was to train the children of the lords to make moral decisions. That was a notion rightly rejected by those Americans who founded The Ohio State University and our other great, enriching land-grant colleges.

The characteristics that have been found to denote the entrepreneur from others are not genetically determined or fixed forever in one's earliest years. They are attained through experience. They are hopefully nurtured through education, and they are amenable to personal choice and decision. We humans have the unique capacity to decide, to choose many of the experiences that determine who we will be.

Now, back to this occasion, and you. What will you do? How will you choose? Remember that the decision to take control is personal. Two refugees facing the same situation, one chooses to act and one sits passively waiting for someone else to do something. The decision to take control is a decision to have something to say about what you will and will not work at, the ethical standards you will meet, the places where you will live, and, most of all, the style and quality of how you take the events that crowd into your life. Even in these days when economic events dominate our thoughts, when finding work is today's necessity, the decision to take control is relevant and consideration of the decision is realistic.

I am a scar-tissued, successful romantic and idealist, and I can tell you that the key to that achievement is that unique and most human decision to take control.

We, parents and teachers, have tried to free your head and at least one arm from the imprisoning marble in which each of us is born. You now have the wherewithal to complete the process of releasing yourself and finding full and free expression, to do the rest of the job. It is a matter of your decision. Make that decision.