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# Think Like An Owner: Identifying the Characteristics that Are Important for Ownership-like Thought in the Hospitality Industry

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# Think Like An Owner: Identifying the Characteristics that Are Important for Ownership-like Thought in the Hospitality Industry

## **Abstract**

Companies want recruits who “think like an owner”; that is, managers who demonstrate entrepreneurial aptitude and skills, think on their feet, and possess good problem-solving abilities. This exploratory study sought to identify the characteristics important for ownership-like thought in the hospitality industry. A questionnaire based on a review of entrepreneurship literature drew responses from 182 hotel and restaurant industry operators, executives, and owners. Results suggested six factors or characteristics that lead to ownership-like thought or behavior.

## **Keywords**

hospitality, business, ownership

# **Think Like an Owner: Identifying the Characteristics that are Important for Ownership-like Thought in the Hospitality Industry**

**By Jeffery D Elsworth, Jeffrey A. Beck and Ronald F. Cichy**

*Companies want recruits who “think like an owner”; that is, managers who demonstrate entrepreneurial aptitude and skills, think on their feet, and possess good problem-solving abilities. This exploratory study sought to identify the characteristics important for ownership-like thought in the hospitality industry. A questionnaire based on a review of entrepreneurship literature drew responses from 182 hotel and restaurant industry operators, executives, and owners. Results suggested six factors or characteristics that lead to ownership-like thought or behavior.*

## **INTRODUCTION**

Companies want recruits who “think like an owner”; that is, managers who demonstrate entrepreneurial aptitude and skills, think on their feet, and possess good problem-solving abilities. Many companies offer compensation packages based on manager partnerships emphasizing the idea of ownership (Perlik, 2003; Van Houten, 1997; Cooper & Dunkelburg, 1986). Large corporations have encouraged managers to embrace internal entrepreneurship, usually referred to as *intrapreneurship* (Altınay, 2005; Hisrich, 1986, p. 77).

The characteristics of successful entrepreneurs have been well documented anecdotally (Glick-Smith, 1999); what has been less clear is how entrepreneurs are developed. One possibility is that individuals can learn these characteristics. Once the personal characteristics of successful entrepreneurs are identified, they can be taught to managers, enabling those managers to develop both intrapreneurial and entrepreneurial attitudes.

In their model of individual entrepreneurial success, Markman and Baron (2003) identified five elements of person-entrepreneurship fit. They are self-efficacy, opportunity recognition, social skills, personal perseverance, and human capital. Of the five elements, only perseverance is assumed to be inherent in the personal makeup of the individual. The other four elements can be developed through education--intrapreneurial and entrepreneurial learning.

The purpose of this exploratory study was to identify those entrepreneurial characteristics that are important for ownership-like thought in the hospitality industry so that those characteristics can be used in developing and identifying successful managers.

## **LITERATURE REVIEW**

### **Entrepreneurship**

What must a hospitality business professional do to think like an owner? To help answer this question, we reviewed the common traits, behaviors and motivations behind entrepreneurial activity and compared entrepreneurial and non-entrepreneurial thought and action of both business and hospitality entrepreneurs.

### **Defining Entrepreneurship by Characteristics**

Prior research suggested that entrepreneurs tend to have certain unique characteristics and follow certain paths as they become business owners (Cooper & Dunkelberg, 1986). There has been much discussion in the literature of the specific valuable, distinguishing traits of entrepreneurs and non-entrepreneurs. As early as the 1950s, researchers began looking for personality factors that determine who is or is not likely to become an entrepreneur (Byers, Kist, & Sutton, 1997). Figure 1, based on a review of entrepreneurship literature, presents a comprehensive list of the most common entrepreneurial characteristics.

**Figure 1**  
**Characteristics That Many Entrepreneurs Possess**

Intuition	Schumpeter (1934)
Creativity	Schumpeter (1934); Timmons (1994)
Power to overcome skepticism and hostility	Schumpeter (1934)
Autonomy	Collins & Moore (1970); Roberts & Wainer (1971); Watkins (1971); Stanworth & Curran (1973); Storey (1982); O'Connor (1983); Lumpkin & Dess (1996); Carter, Gartner, Shaver, & Gatewood (2003)
Innovativeness	Schumpeter (1934); Lumpkin & Dess (1996); Stewart, Watson, Carland, & Carland (1999); Carter, Gartner, Shaver, & Gatewood (2003)
Risk taking / bearing of risk	McClelland (1961); Palmer (1971); Timmons (1978); Hull, Bosley, & Udell (1980); Welsch & White (1983); Brockhaus & Horwitz (1986); Timmons (1994); Lumpkin & Dess (1996); Stewart, Watson, Carland, & Carland (1999)
Proactiveness	Lumpkin & Dess (1996)
Competitive aggressiveness	Lumpkin & Dess (1996)
Achievement	McClelland, Atkinson, Clark, & Lowell (1953); McClelland (1961); Hornady & Aboud (1971); Cross (1981); Storey (1982); Begley & Boyd (1986); Stewart, Watson, Carland & Carland (1999); Rauch & Frese (2000)
Financial success	Watkins (1971) Carter, Gartner, Shaver, & Gatewood (2003)
Desire to exploit a market opportunity	Schumpeter (1934); Knight (1942); Gibb & Ritchie (1981); Storey (1982); Murray (1983); Cooper & Dunkelberg (1986); Ronstadt (1988); Timmons (1994); Kirzner (1997); Busenitz (1999); Shane & Venkataraman (2000); Ardichvili, Cardozo & Ray (2003); Casson (2003)
Internal locus of control	Rotter (1966)
High self-efficacy	Chen, Green, & Crick (1998); Markman, Balkin & Baron (2002)
High personal perseverance	Timmons (1994); Stoltz (2000); Markman & Baron (2003)
Leadership	Timmons (1994)

### Entrepreneurs and Risk

Throughout the literature, one of the characteristics most commonly attributed to entrepreneurs is the propensity to take risks. The major difference between entrepreneurs and managers is this very characteristic. In their study of differences between entrepreneurs and managers of large organizations, Busenitz and Barney (1997) found that entrepreneurs are more susceptible than managers to decision-making biases under conditions of environmental uncertainty and complexity. This bias is referred to as *representativeness*, defined as the tendency to over-generalize or make decisions based on a very small number of observations or little data. Specifically, entrepreneurs exhibit less representativeness and tend to generalize from limited experience and information in order to make quicker decisions. Managers, on the other hand, look for higher representativeness (larger samples) of inputs before they draw conclusions. This seems to indicate that there are differences in the way that entrepreneurs and managers perceive business risk and act on it (Busenitz & Barney, 1997). In a study comparing entrepreneurs and bankers, Sarasvathy, Simon, and Lave (1998) found that entrepreneurs act differently in their

perception and management of business risk. Entrepreneurs treat risk as a given and act to maximize outcomes as targets; they tend to control and lower risk as they try to achieve targets.

In some of the earliest writings related to entrepreneurship, John Stuart Mill (1848) stated that the key factor distinguishing a manager from an entrepreneur was the bearing of risk. Schumpeter (1934), however, countered that bearing risk was inherent in ownership and that entrepreneurs, because they were not necessarily owners, should not assume the risk-bearing propensity as a trait indicative of entrepreneurship. Most researchers have posited that risk bearing is a prime factor in the entrepreneurial character and function.

### **Comparing Entrepreneurs and Managers**

Carter, Gartner, Shaver, and Gatewood (2003) suggested that entrepreneurs tend to value self-respect, freedom, a sense of accomplishment, and an exciting life more than non-entrepreneurs do. While their research concluded that entrepreneurs have different characteristics than non-entrepreneurs, they also concluded that nascent (early or beginning stage) entrepreneurs and non-entrepreneurs rated independence, financial success, and self-realization as more important than recognition, innovation, or roles.

The underlying motivation that nascent entrepreneurs have with regard to starting a business may be shared with non-entrepreneurs who choose a career path within an established organization (Carter, Gartner, Shaver, & Gatewood, 2003). The kind of individual who shares entrepreneurial motivations yet goes to work every day in a corporate environment can be referred to as an *intrapreneur*.

### **Intrapreneurs**

The *intrapreneur* can be defined as someone who works for a large corporation and exhibits innovative and entrepreneurial characteristics (Altinay, 2005; Hisrich, 1986, p. 77). Senior managers within many established corporations have taken steps to encourage internal entrepreneurship, termed *intrapreneurship*. What is so attractive about entrepreneurs that would make established corporations encourage entrepreneurial or ownership-like thought and behavior? According to Crossan and Dutta (2005), only those firms able to maintain a proactive approach to learning that is contextual and non-redundant will demonstrate a leading edge in innovation and intrapreneurship. Honing (2001) asserted that despite corporations' attempts to encourage intrapreneurship, it is difficult to do; intrapreneurs are different from entrepreneurs.

Intrapreneurs are more likely to utilize internal rather than external networks in formulating their learning strategy (Honing, 2001). Their knowledge of the organization's systems, rules, and rituals means that their intrapreneurial activities are more likely to be codified and systematized. Working for a large, established corporation requires a different thought process, system of authority, and decision-making ability. It requires employees, whether intrapreneurial or not, to respond to and work within a structure they did not create. Intrapreneurs utilize learning strategies focusing on organizational consensus, while entrepreneurs utilize flexible and adaptive strategies less suitable to comparatively static environments. Therefore, intrapreneurs rely on strategies that focus on developing organizational consensus, while entrepreneurs utilize approaches that maximize flexible learning. The discussion surrounding creating entrepreneurial or ownership-like thought, even in large corporations, has led to research rooted in understanding how entrepreneurs learn.

### **Entrepreneurial Learning**

In reporting on how entrepreneurs learn, the literature suggested that entrepreneurs are action-oriented; much of their learning is experientially based (Rae & Carswell, 2000, 2001). Entrepreneurs learn primarily through trial and error, explicit problem solving, and discovery. Entrepreneurial learning is continuously evolving, and builds on past experience (Politis, 2005).

This past experience may come from prior start-up or management experience. The management experience provides many skills needed in starting a new venture, including selling, negotiating, leading, planning, decision making, problem solving, organizing, and communicating. Politis (2005) described entrepreneurial learning as consisting of three main components: career experiences, the transformation process, and effectiveness in recognizing opportunity and in coping with discovery.

Through this research on entrepreneurial learning, Politis (2005) concluded that developing entrepreneurial knowledge is a slow, incremental evolution. Attempts to stimulate entrepreneurial activities through formal training and education are not likely to have any strong and direct impact on the development of entrepreneurial knowledge. Politis suggested that educational efforts aimed at stimulating entrepreneurial activities should primarily focus on developing creativity, critical thinking, motivation, and the ability to gain entrepreneurial knowledge throughout one's professional life.

### **Defining Entrepreneurship by Behaviors**

Much of the research surrounding entrepreneurship has been based on finding the characteristics and motivations underlying entrepreneurial action. While research demonstrates consistency in the factors characterizing business founders, these factors have not proven to be strong predictors of who will start a business (Gartner, 1988). Indeed, this should not be surprising, as personality traits are not known to be good predictors of behavior. Bygrave and Hofer (1991) posited that the aim of research should be to decipher the entrepreneurial process. They defined the *entrepreneurial process* as the functions, activities, and actions associated with perceiving opportunities and then creating organizations to pursue them.

Entrepreneurship research has moved from defining entrepreneurs by personality characteristics to defining entrepreneurs by behaviors. Further study into the behaviors of hospitality entrepreneurs may help to distinguish entrepreneurial thought and learning behavior, and help to find effective teaching methods for developing aspiring entrepreneurs.

### **Defining Entrepreneurship from the Hospitality Professionals' Perspective**

Entrepreneurs are motivated because they enjoy the overall feelings of controlling chaos, putting out fires, never resting, wanting to do their own things, seeing a niche, and running what is like a small government. Another motivation for being an entrepreneur may be the thrill of taking a risk. One of the marks of a true entrepreneur is the ability to see opportunity where competitors see nothing--or worse, failure. Whatever entrepreneurship is, finding opportunities today involves not just a keen eye, but considerable courage, as well. The underlying characteristics of risk taking, the ability to find a niche, controlling one's environment, and self motivation are traits common to hospitality and general business entrepreneurs, as outlined in the earlier discussion (Malone, Klara, & Bryant, 2004).

### **Hospitality CEO Perspectives on Entrepreneurship – Intrapreneurs in Hospitality**

A telephone survey of the top 150 U.S. chain-restaurant company executives was conducted by Muller and Crist (1996). The purpose of the survey was to reveal what a restaurant firm's chief executive officer (CEO) does, as well as to determine the characteristics, behaviors, and attitudes of a CEO by describing the types of people who work in that position. Many of the CEOs described themselves as entrepreneurial in their outlook.

Their descriptions included: (1) a reliance on a reasonably short-term planning horizon; (2) an entrepreneurial, rather than a rational or hierarchical, management style; and (3) an operations or field-management-based perspective of critical skills necessary for success. They also described themselves as active, democratic, take-charge types who delegate responsibility and roll up their sleeves to tackle problems whenever the need for hands-on management arises. Many of these characteristics appear to be entrepreneurial in spirit with the exception of the

reliance on short-term planning. This short-term versus long-term focus may be seen as a factor that distinguishes corporate CEOs from small business owners. Corporate CEOs may have others (board of directors, knowledgeable senior management staff) help them craft a long-term vision, while a small business owner must be self-reliant (Muller & Crist, 1996).

When asked to describe their ultimate goal in acting as a CEO, survey respondents replied that a marker of success is whether the company reaches its full growth potential. Success in the chain restaurant industry hinges on an understanding of and commitment to financial management skills, operations and field-management experience, and marketing. These goals do not seem very entrepreneurial, but appear to be focused on the firm rather than personal success. This may indicate that CEOs achieve success by managing in an entrepreneurial manner and by finding self-worth and personal pride in achieving the firm's goals (Muller & Crist, 1996).

### **Motivations behind Hospitality Entrepreneurs**

Getz and Peterson (2005) identified hospitality entrepreneurs' primary motivations for starting their own business. Their study investigated whether the potential profitability or the lifestyle associated with owning a business motivated two groups--growth and profit-oriented hospitality entrepreneurs--to think like owners. Their analysis confirmed that lifestyle was the dominant motivation factor in both samples. Although money matters emerged as a distinct factor in both samples, it was not very important to the majority of respondents. Profit and growth-oriented entrepreneurs could be clearly differentiated in terms of goals and attitudes; they were attracted to specific business types. The majority of entrepreneurs were lifestyle- and autonomy-oriented, while the growth entrepreneurs existed as a minority among owners of family businesses in the tourism and hospitality industries.

### **Corporate Hospitality Entrepreneurial Orientation**

A study of 164 hotels in mainland China, Hong Kong, Malaysia, and Singapore was undertaken to determine whether successful hotels emphasized an entrepreneurial orientation, while less-successful counterparts held to a conservative strategic orientation (Jogaratham & Tse, 2004). The study defined an entrepreneurial orientation as innovative, proactive, and risk-taking. The results suggested that Asian entrepreneurial hotel operators were more likely to be high performers, to describe their operations as proactive, to seek new market opportunities, and to be the first to introduce new products. These companies were actively involved in shaping their own destinies rather than reacting to events in their ever-changing environments.

The Jogaratham and Tse study compared an entrepreneurial organization and an entrepreneurial individual. The characteristics of an entrepreneurial organization seem to match the characteristics of an entrepreneurial individual. The difference between the two was attributable to characteristics unrelated to the organization: self-motivation, goal achievement, and personal sacrifice. The commonalities of the two definitions were in risk taking and innovation. The study suggested that organizations should focus on hiring entrepreneurial staff members and creating an environment that encourages entrepreneurial action.

## **METHODOLOGY**

The current study surveyed hotel- and restaurant-industry operators, executives, and owners in an effort to identify characteristics important for ownership-like thought, decision-making, and success in the hospitality industry. A questionnaire was developed, based on a review of the entrepreneurship literature and discussions with entrepreneurs in the food service and lodging industry. The questionnaire asked respondents to rate the level of importance of 56 items with respect to successful entrepreneurship in the service and hospitality industries. The questionnaire included an open-ended section where respondents were asked to share their thoughts on the most important characteristics required of an entrepreneur, as well as

recommendations for hospitality students interested in becoming entrepreneurs. The last section requested information about the respondents' industry affiliation and personal demographics.

To ensure validity, entrepreneurs from various hospitality organizations were asked to review the questionnaire as a check for face and content validity. Based on their comments, definitions of some characteristics were changed to avoid misunderstanding. The final questionnaire was mailed to hospitality industry executives, owners, and leaders.

A list of names and contact information was acquired from the American Hotel and Lodging Association member directory and from a list acquired from the Foodservice Operators Guide of Chain Restaurants and High Volume Independent Restaurants. The questionnaire was sent to 1,020 hotel and restaurant operators, executives, and owners in the United States. Twenty-one questionnaires were returned as undeliverable.

Several analyses were performed. First, descriptive analyses were used to provide a profile of the respondents and their industry affiliations. Next, an exploratory factor analysis of the importance items was carried out to identify the factors necessary for successful entrepreneurship. Finally, a content analysis of the open-ended questions was conducted to add depth and breadth to this study.

## RESULTS

### Sample Description

Some 182 operators, owners, and executives responded to the survey, for an 18.2% response rate. Of the 182 respondents, 51.1% were representatives from the foodservice industry, and 48.9% represented the hotel, lodging, and travel industry. Of the respondents, 8.8% were female. The average age of the respondents was 52.8 years. The average number of years' experience in the hotel/lodging/travel industry, compared to the years' experience in the foodservice industry, was nearly identical: 26.7 years for the former, and 27.1 years for the latter. One respondent had over 50 years' experience. On average, the number of managerial employees was 269, and the number of non-managerial employees was 3,673.

**Table 1**

**Descriptive Statistics of the Respondents**

	%	Mean	Median
Foodservice respondents	51.1		
Hotel, lodging & travel respondents	48.9		
Male respondents	91.2		
Female respondents	8.8		
Years of experience in the hospitality industry		26.7	27
Years of experience in the service industry		27.1	28
Age of respondents (years)		52.8	53
Number of managerial employees		269	70
Number of non-managerial employees		3,673	900

N = 182

### Evaluating the Sample with Factor Analysis

Exploratory factor analyses were conducted to identify the nature of entrepreneurial inclination of the sample and the important characteristics of entrepreneurs. The response data were examined to ensure that the sample size was sufficient, that variables were not interrelated,



and that variables were grouped appropriately (Stewart, 1981). Based on guidelines developed by Zikmund (1982), it was determined that the size of the response, 182, was appropriate. To test for inter-correlation, the Bartlett's test for sphericity (using a Chi Square test) was applied. Next, to make sure that the variables were properly grouped, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was utilized. For data to be appropriate for factor analysis, the result of the Bartlett's test should be significant, and the KMO value should be at least .50. For this data set, the chi-square (2877.13) was significant at  $p < .000$ , and the KMO statistic was adequate at .786, indicating the data were suitable for factor analysis. The factor analytic technique permitted the identification of underlying patterns of relationships embedded in the dataset. Initial factors were extracted, and then rotated to become terminal factors using the Kaiser's varimax rotation method. This method of orthogonal rotation centers on simplifying the factor matrix by maximizing variance and producing conceptually pure factors, thereby making the rotated solution easier to interpret and understand.

### **Entrepreneurial Thought and Behavior**

The respondents were asked to rate the characteristics of a successful entrepreneur in the hospitality industry. This was accomplished through a Likert-type scale, with 1 being unimportant and 7 being important. With these results, the varimax factor analytic technique was applied to the 56 items that had been included in the original survey. A scree test applied to the results (Hair, Anderson, Tatham, & Black, 1998) suggested a six-factor solution. A value of 1.0 on the scree plot is the generally accepted level for retention of a factor. As shown in table 2, 26 items were included in the final six-factor solution.

Cronbach's alpha was used as a measure of precision or reliability of a scale. A scale reliability test utilizing Cronbach's alpha was performed on the six factors and the overall scale. The elimination of items from the original survey explained the lower reliability scores on the fourth through sixth factors. The overall scale reliability, as measured by Cronbach's alpha, was above the .70 threshold ( $\alpha = .842$ ). The purpose of the study was to explore the factors relevant to entrepreneurial thought and behavior. Given the exploratory nature of this study, along with the method by which the questions were asked in the questionnaire, reliability estimates lower than the standard .70 were appropriate (DeVellis, 2003; Hair, Anderson, Tatham, & Black, 1998).

**Table 2**

**Results of Factor Analysis with Varimax Rotation for Entrepreneurial Characteristics**

Item Statement	Factor Loading					
	F1	F2	F3	F4	F5	F6
<b>Interpersonal Communications (F1)</b>						
Motivational Ability	.791					
Managing for Quality Improvement	.647					
Outgoing	.645					
Communicate Effectively	.634					
Proactiveness	.612					
Public Speaking Skills	.584					
<b>Empire Builder (F2)</b>						
Fatalistic		.741				
Wealth		.700				
Authoritarian		.690				
Seniority		.600				
Arrogance		.574				
Materialistic		.533				
<b>Agility (F3)</b>						
Independent			.680			
Comfort Making Decisions			.591			
Autonomy			.542			
Adaptability			.542			
Resourcefulness			.535			
<b>Creative Savviness (F4)</b>						
Intuition				.704		
Creativity				.696		
Inventiveness				.677		
Politically Savvy				.583		
<b>Problem Solving Pragmatist (F5)</b>						
Pragmatic					.680	
Knowledge of Financial Numbers					.676	
Objectivity					.639	
Problem Solver					.477	
<b>Intrapersonal Communications (F6)</b>						
Patience						.771
Honesty						.666
Listening Skills						.584
Technical Skill						.435
Eigenvalue	3.19	3.15	2.48	2.33	2.26	2.16
Variance (%)	10.99	10.84	8.56	8.04	7.8	7.44
Cumulative (%)		21.84	30.39	38.43	46.23	53.66
Cronbach's alpha	.775	.746	.608	.675	.642	.672
Number of Items	6	6	5	4	4	4

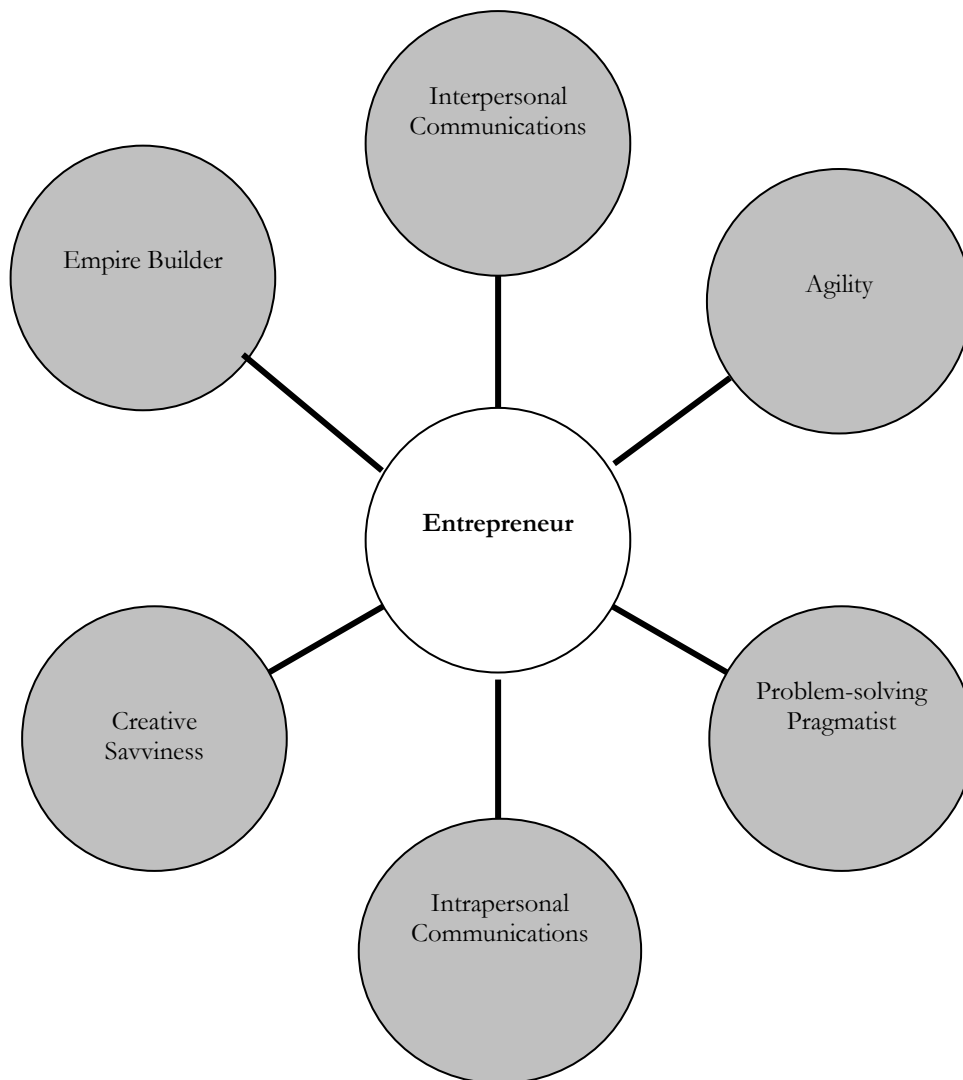
Overall Cronbach's alpha = .842

## DISCUSSION

The factor analysis revealed a six-factor solution. Based on the questionnaire responses, open-ended comments supplied by the respondents, and the literature review, the six-factor results were grouped by their themes and identified as follows:

- Interpersonal communications
- Empire builder
- Agility
- Creative savviness
- Problem-solving pragmatist
- Intrapersonal communications

**Figure 2**  
**Six Factors of Entrepreneurial Thought and Behavior**



## **Interpersonal Communication**

The Interpersonal Communication factor includes communicating effectively, managing for quality improvement, having motivational ability, demonstrating an outgoing nature, being proactive, and possessing public speaking skills. Interpersonal communication is focused on communicating with others.

Communicating effectively begins with a clear vision of what one wants to create/accomplish. The vision must be communicated effectively to others so that they can help achieve the vision. Communicating effectively is necessarily focused on listening to others, as listening is the most important communication capability.

Managing for quality improvement affects the value created and delivered to internal and external customers. Perhaps one of the best ways to achieve continuous improvement is to stay in constant contact with customers' ever-changing requirements.

Motivational ability takes into account that owners understand that all motivation comes from within the individual, and is based on the individual's values, vision, and mission. Owners who serve as mentors to others help guide and coach others to motivate themselves.

Being outgoing starts with being honest with oneself and always striving to articulate the best interests of internal and external customers. Outgoing owners love working with their customers.

Proactiveness includes anticipating requirements. Anticipatory service is created and delivered before customers have to ask for it. By being proactive and following through on commitments, owners are seen by others as being dependable and reliable. This builds customer loyalty.

Public speaking skills help owners communicate to their customers what they stand for and to reassure those customers that the company stands behind its products and services. Owners also use public speaking skills to communicate the organization's values, vision, and mission so others can understand where they can align and contribute.

## **Empire Builder**

The Empire Builder factor includes owner characteristics such as arrogance, authoritarianism, fatalism, materialism, seniority, and wealth.

While some owners may act in arrogant, know-it-all ways, many respondents advise against arrogance. It takes a great deal of energy and commitment to be an entrepreneur; sometimes others perceive this as arrogance.

Authoritarian owners often have a "my way or the highway" view of leadership. Perhaps this authoritarian approach stems from the fact that often the owner has all of his or her personal savings, as well as leveraged funds borrowed from others, riding on the outcome of the venture.

Fatalistic owners believe that they must be ready to fail. However, they learn from their failures and regroup. Fatalistic owners may also believe that being an entrepreneur requires a commitment to long hours and the ability to handle large amounts of stress.

Materialistic owners understand that being an entrepreneur requires a lifestyle commitment. There must be acceptable material rewards for doing so.

Seniority relates to experience level and the time it takes to build the necessary competencies to be an owner. Many respondent owners advise those who are thinking about ownership to first work for someone else in the industry for a minimum of five years before deciding to open one's own enterprise.

Wealth is both the owner's financial gain as well as the gratification felt when products, services, and experiences are created and delivered in ways that satisfy customers.

### **Agility**

The Agility factor covers adaptability, autonomy, comfort in making decisions, independence, and resourcefulness.

Adaptability includes being flexible and learning something new each day. Adaptability is a blend of initial commitment and the ability to change. Owners who have a well-thought-out game plan, and a commitment to staying focused on the ultimate goal, know that mid-game adjustments, due to unanticipated changes, will be required. Autonomy is a part of agility. A part of autonomy for an owner is making sure he or she is well capitalized, since actual expenses sometimes are higher than projected.

Comfort in making decisions relates to dedication, commitment, and passion. Dedicated owners follow their dreams and never give up. In making decisions, owners with a passion for their business see the possibilities rather than the problems, the potential rather than the pitfalls.

Independent owners are determined, focused, and patient. They work hard and take risks. Independent owners work more for themselves than they do for someone else, and accept long hours, evenings, and weekends.

Resourcefulness relates to having the initiative to get started. Resourceful owners leverage what they have to build value for the business. In short, they find a way to make it happen.

### **Creative Savviness**

The Creative Savviness factor contains creativity, intuition, inventiveness, and political savviness. All of these characteristics add to opportunities to present something new and fresh.

Creativity is the hallmark of staying one step ahead of the competition. Creativity can simply be going out of one's way to please loyal customers – both internal and external – in unique ways.

Intuition stems from a feeling inside based on knowing the customers and looking for ways to improve products, services, and experiences continuously. Intuition, coupled with facts, helps owners anticipate changes in customers' requirements and markets.

Inventiveness occurs when an owner looks for hidden opportunities, particularly in areas where others are not filling a need. Once the need is identified, the owner must possess the vision to capitalize on these opportunities, facilitate the changes necessary to move the business, and stay out in front of the competition.

Being politically savvy is important for owners who operate in an increasingly complex arena of government regulations. Part of this political savviness comes from an intimate understanding of the industry in which the business is positioned. Sometimes external forces (e.g., government regulations about food safety, building codes) impact what is possible; however, politically savvy owners find a way to create their products, services, and experiences despite what initially appears to be a set of overwhelming roadblocks or obstacles.

### **Problem-Solving Pragmatist**

A Problem-Solving Pragmatist is objective and has knowledge of financial numbers. Knowledge of financial numbers begins with creating a realistic business and financial plan for the organization, and then following it. Owners need sufficient financial capital to start their businesses and sustain them. Knowledge of financial numbers includes a detailed understanding

of budgets, balance sheets, profit-and-loss statements, cash flow, and return on investment (ROI).

Owners must be objective in order to make fact-based decisions. Objective owners study the demographics of the market to determine that external customers are in need of the proposed products, services, and experiences. The objective owner does not simply intuit what external customers want, need and expect; he or she decides these matters with facts in hand.

Pragmatic owners are realistic and practical. The realism includes the ability and necessity to balance work and quality of life. While an owner must manage the business and do what it takes to make it successful, that same owner cannot ignore the personal and family side of the big picture. There must be a balance between the two elements, so that each can support the other and both can support the owner.

Successful owners are problem solvers; this is one of the ways that they differentiate themselves as great operators. They solve problems with the goal of building great products, providing superior services, and creating memorable experiences. The focus on problem solving is their way of continuously improving all three elements of the business. Problem solvers learn from experience, read, benchmark other successful businesses, ask questions, and hold themselves and others accountable for achieving the desired results.

### **Intrapersonal Communication**

Fundamentally, the Intrapersonal Communication factor is about communication with oneself. It includes honesty, listening skills, patience, and technical skills.

Honesty with oneself begins with knowing one's own strengths and weaknesses. Self knowledge includes clearly articulating values, vision, mission, strengths, areas needing improvement, and goals.

Listening skills were already discussed under interpersonal communication. As essential as it is to listen to others, it is equally critical to listen to oneself. By listening to one's own needs, wants, expectations, requirements, dreams, and vision for the future, an aspiring owner is best able to create a business that aligns with these personal aspects.

Patience is often said to be a virtue, but it is also a requirement for business owners. The respondents reported that owners must be patient with themselves, first, and then with others. It takes time to conceive, launch, and build a business; it will not happen overnight.

Owners are required to have technical skills, particularly when they are starting a new venture. These skills come from an understanding, based on practical work experience, of what it takes to succeed. Technical skills include a detailed knowledge of the operations of the business, in part, so others can be trained to deliver the requirements expected by both internal customers and external customers.

### **IMPLICATIONS**

The results of this study suggest characteristics important for developing entrepreneurial thoughts and behaviors. The six factors identified by the analysis include a wide range of characteristics, traits, attributes, and skills. Some of the characteristics can be identified in people through their actions, while others may be identified only through questioning. Some characteristics are inherent, while others require entrepreneurial learning and training.

Educators are interested in the characteristics they can teach students. Employers are likely to be interested in the characteristics that identify entrepreneurial behaviors. Individuals will look for the characteristics favorable to their goals as present and future entrepreneurs.

These results help to surface the capabilities and competencies individuals must develop in order to achieve their goals of individual ownership or partnerships within larger

organizations. Besides identifying entrepreneurial characteristics, the findings may guide curriculum development and drive research toward better understanding of the hospitality entrepreneur.

### **LIMITATIONS AND FUTURE RESEARCH**

As with most exploratory research, this study has possible limitations. The sample size and response rate were less than ideal. There was also a disproportionate number of male respondents compared to female respondents in the sample; this is not reflective of the hospitality industry. However, for a non-targeted sample from a large pool of possible respondents, the respondents represented 32 states and a balanced distribution of foodservice versus hotel and travel professionals.

In order to attract a higher response rate, future research might be better targeted to a specific industry segment. Possible differing characteristics of ownership-like thought could be determined for food service professionals and lodging professionals. Research could seek to determine whether there is a difference between professionals in the different industry segments. Future research could also investigate possible differences between small business owners and corporate executives in the hospitality industry. This type of research might provide an understanding of the hospitality entrepreneur and ownership-like thought.

Future research may also be used to target specific areas of entrepreneurship curriculum development. Specifically, future studies could be developed to help educators design pedagogy, such as hospitality-industry-specific case studies and projects, to better prepare today's students for the rigors of ownership thought. Qualitative research could be undertaken to better identify some of the underlying theories guiding ownership-like thought and entrepreneurial learning. Recognizing that few graduating students immediately move into their own businesses, future researchers can help identify the skills, capabilities, and competencies individuals must develop in order to achieve their goal of individual ownership or partnerships within larger organizations.

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