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Personality Traits on Entrepreneurial Intention

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Abstract

Internal locus of control, need for achievement, risk tolerance, and entrepreneurial alertness are dimensions of personality traits which lead a person to develop the entrepreneurial intention. The purpose of this study is to explore the effects of the personality traits on the entrepreneurial intention. The author was inspired from the study of Orman (2009). This study was conducted on 480 graduate students in Turkey. Factor analyses and multiple regression analysis were conducted to the data. It was found that the personality traits had a positive effect on the entrepreneurial intention.

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Keywords: Personality Traits, Internal Locus of Control, Need for Achievement, Risk Tolerance, Entrepreneurial Alertness, Entrepreneurial Intention

1. Introduction

Internal locus of control, need for achievement, risk tolerance, and entrepreneurial alertness are dimensions of personality traits which lead a person to develop the entrepreneurial intention. Effects of these personality traits dimensions on the entrepreneurial intention have been examined in this study.

The trait approach is based on McClelland's (1961) psychological work on entrepreneurs. Bird and Jelinek (1988) claim that successful entrepreneurs distinguish themselves from unsuccessful ones by the interaction of their internal locus of control and external locus of control (Gaddam, 2008: 39). According to Frese (2009), need for achievement, locus of control (self-efficacy), innovativeness, risk taking are important personality attributes whereas education, experience, mental ability and knowledge are important human capital attributes for entrepreneurial orientation (Frese, 2009: 459).

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This paper starts with a literature review of locus of control, need for achievement, risk tolerance, entrepreneurial alertness and entrepreneurial intention. Then, it continues with the methodology including research goal, sample and data collection, research model, hypotheses, measures, analysis and results. Finally, conclusion is the last section which discusses research findings, highlights recommendations and contributions of this paper.

2. Literature Review

2.1. Locus of Control (LoC)

Locus of control (LoC) is the degree of control of a person over his/her life. Internal LoC shows that a person believes his/her decisions can control his/her life whereas external LoC shows that a person's life is affected from external factors such as destiny, luck, other people beyond his/her decisions. It is expected that people who have internal LoC can determine their career paths, have entrepreneurial intentions and start their own businesses.

LoC is a measure of the belief of people in their ability for controlling the environment through their actions. Brockhaus and Horwitz (1986) believe that people perceive the outcome of an event or their behaviors within their control (internal LoC) or beyond their control (external LoC) based on the theory of LoC. They (1986) claim that LoC is a good measure to distinguish the successful entrepreneurs from the unsuccessful entrepreneurs. They (1986) revealed that entrepreneurs whose businesses survived for three years had higher LoC than other people. Several studies which verify that internal LoC influences entrepreneurial intentions have been conducted in the literature (Brockhaus and Horwitz, 1986; Hansemark, 1998; Mueller and Thomas, 2000; Gürol and Atsan, 2006). People who have higher internal LoC will take risks and establish businesses. They believe that their actions can control the environment. Many studies showed that entrepreneurs had higher LoC than other people (Brockhaus and Horwitz, 1986; Hansemark, 1998; Mueller and Thomas, 2000) (Orman, 2009: 25-27).

LoC is a personality characteristic which shows the level of control feeling. Hisrich and Peters (1998: 68) believe that LoC is "an attribute indicating the sense of control that a person has over life." Green et al. (1996) believe that LoC is "the degree to which a person perceives success and failure as being contingent on his/her personal initiatives." People who have limited internal control believe that things happen due to destiny or accidents. Venkanthapathy (1984) assumes that internal control is one of the most dominant entrepreneurial characteristics. Entrialgo et al. (2000) add that people who have high scores on feeling of control have clear visions of the future. Mazzaro et al. (1999) state that when the internal LoC of people is stronger, entrepreneurial intention is greater (Kristiansen and Indarti, 2004: 59-60).

Rotter believes that (1966), internal LoC is related to entrepreneurs who believe their actions determine obtained rewards. People who have high internal LoC feel that they can control outcomes, must try harder and be more persistent for outcomes to establish and manage new ventures. On the other hand, externally controlled people can be more passive. When a person believes that he cannot control outcomes, he doesn't try to change his environment to establish a new venture (Rauch and Frese, 2007: 359).

Lefcourt (1972) believes that internal expectancy shows a propensity to affect a person's environment. Wichman and Oyasato (1983) claim that internally-oriented people have greater learning and adaptive abilities. Rotter (1966) differentiates people in two categories: people who are more internally-controlled and people who are more externally-controlled. People who are more internally-controlled show their interests more successfully, and manage themselves over crucial life occurrences. They can regulate social interactions much better and depend on other people less. According to Dailey and Morgan (1978); Panday and Tewary (1979), entrepreneurs are more internally-controlled. Brockhaus (1982) and Bonnett and Furnham (1991) add that successful entrepreneurs are more internally-controlled. Spector (1982) states that internally-controlled people determine their goals and ways to reach to them. He (1982) adds that internally-controlled people act "more adequately with less restrictive work conditions and role ambiguity." Brockhaus (1982) believes that an essential requirement of entrepreneurial potential is the intention to carry through. Brockhaus (1987) compared the internal orientation of entrepreneurs when they established their new ventures and 13 years later than the establishments. He (1987) found that successful entrepreneurs who could manage their companies for 13 years were more internally focused than unsuccessful ones who lost their companies (Raab et al., 2005: 74-75).

2.2. Need for Achievement (nAch)

Need for achievement (nAch) is the drive of a person to succeed. People who have high nAch have entrepreneurial intentions. They are eager for success. They want to show themselves as entrepreneurs who can establish successful businesses in competitive markets.

The nAch can be defined as having a desire and ambition to be successful. There are several researches showing the significant effects of nAch on entrepreneurial intentions (Johnson, 1990; Hansemark, 1998; Gürol and Atsan, 2006). McClelland (1961) claims that people with higher desires and ambitions to be successful (nAch) have higher potential to become entrepreneurs. There are comparative studies supporting McClelland's theory (Johnson, 1990; Hansemark, 1998). Gürol and Atsan (2006) found out that entrepreneurially inclined students who had higher nAch wanted to establish their own businesses (Orman, 2009: 27-28).

The nAch can be considered as struggling against challenging tasks. Murray (1938) was the first researcher who defined achievement motivation. McClelland (1961, 1978, 1987) revealed the relationship between achievement motivation and entrepreneurial intention. Other studies have been conducted to reveal the nAch for entrepreneurial intention (Lynn, 1969; Nandy, 1973; Johnson, 1990; Müller, 1999; Sagie and Elizur, 1999). Müller (2002) believes that nAch, internal locus of control, risk taking propensity are three attributes for entrepreneurial potential of people (Raab et al., 2005: 73-79).

According to McClelland (1965: 8), nAch could be measured in people and groups. He (1965) adds that it can be measured by coding spontaneous thoughts of people as in stories they tell, for the frequency with which they think about competition with excellence standards.

Rauch and Frese (2007: 353) reveal that there is a correlation between the nAch and entrepreneurial behavior in their meta-analysis. According to them (2007: 358), nAch shows that a person chooses a task which has moderate difficulty, takes responsibility for results and expects feedback. The nAch is important for entrepreneurs who would like to achieve tasks. McClelland (1961) reveals that entrepreneurs have more achievement motive compared to managers (Rauch and Frese, 2007: 358).

Terprstra et al. (1993) believe that the nAch consists of the desire for being successful, the tendency for taking calculated risks, and the desire for concrete feedback. Lee (1997) claims that the nAch is a "unitary disposition that motivates a person to face with challenges in the interest of attaining success and excellence." McClelland (1961, 1971) states that nAch affects entrepreneurial intention. He (1961, 1971) classifies people who have high nAch as people who have strong desires for being successful. People who have high scores on nAch scale prefer to take risks and responsibility and are interested to observe the results of their decisions. According to McClelland (1965: 7), a person who has high nAch is "more self confident, enjoys taking carefully calculated risks, researches his environment actively, and is very much interested in concrete measures of how well he is doing." Scapinello (1989) found that people who had high nAch accepted failure less. He (1989) proposed that nAch affected attributions to succeed. Nathawat et al. (1997) claimed that low nAch was associated with low expectations, failure, low competence, self-blame and low inspirations (Kristiansen and Indarti, 2004: 59).

2.3. Risk Tolerance

Taking calculated risk is the latest approach in entrepreneurship. Risk taking can lead both success and failure. Thus, entrepreneurs should calculate risks of their actions before they take them, evaluate advantages and disadvantages of risk taking in all stages of entrepreneurship. Entrepreneurs tolerate risks more than other people. Tolerating risks is a major trait for entrepreneurs to succeed. Entrepreneurs take career, financial, family and reputation risks when they decide to establish their own ventures. People who can tolerate risks can have entrepreneurial intentions and start their own businesses.

Schumpeter believes that entrepreneurs need to take risks while they are making decisions (Brockhaus and Horwitz, 1986). Cantillon and Mill state that risk taking attitude of an entrepreneur will differentiate him/her from managers or employees (Brockhaus and Horwitz, 1986; Iversen et al, 2008). Several empirical studies have been conducted to

determine the risk taking propensity as a key factor to understand an entrepreneur (Gürol and Atsan, 2006; Tang et al, 2008; Verheul et al, 2006). They found out that risk taking propensity had a significant influence on entrepreneurship. Verheul et al (2006) revealed that risk taking propensity was related with employment choice in Europe and the United States. Researchers conducted studies which verified the influences of risk taking on entrepreneurial intention (Gürol and Atsan, 2006; Tang et al, 2008; Verheul et al, 2006). Tang et al. (2008) showed an evidence that risk-taking propensity was an important factor to explain entrepreneurial process. Gürol and Atsan (2006) found a significant evidence that risk taking propensity was an important factor to explain the entrepreneurial intentions of university students (Orman, 2009: 28-29).

Entrepreneurs should tolerate risks. They have to make decisions in uncertain situations. Stewart and Roth (2004) believe that entrepreneurs take risks (Rauch and Frese, 2007: 359-360).

Risk taking propensity is handling risk and uncertainty and being ready to bear them. People who take risks can choose alternatives with lower chance but advantageous results. They want to make decisions in uncertain situations more. Entrepreneurs take several risks for capital, career, prestige, and family relations. A person who has entrepreneurial intention should have an optimum degree of risk orientation. Several studies reveal that entrepreneurs take higher risks than other people (Ahmed, 1985; Meyer, Walker, and Litwin, 1961; Liles, 1975; Broehl, 1978). Begley and Boyd (1987) state that risk taking propensity shows how a person copes with risky decision situations. Matthews and Scott (1995) believe that risk tolerance is required for entrepreneurial thinking and being an entrepreneur. They (1995) add that people who would like to establish their ventures face with risks and deal with uncertainty (Raab et al., 2005: 75).

Risk taking is a personality trait which shows the willingness and tendency of a person to take risks. Entrepreneurial activities have risks so risk taking is related to entrepreneurship. Covin and Slevin (1989) believe that risk propensity is a dimension of entrepreneurial orientation. Sexton and Bowman (1983) state that entrepreneurial behavior is related to moderate risk level in a person. Begley and Boyd (1987) claim that entrepreneurs have greater risk propensity than managers. Thus, risk propensity is a predictor for career choice. "The difference between entrepreneurs and non-entrepreneurs may be a question of risk tolerance, and of how they process information regarding the potential success of a new business opportunity." Busenitz (1999) and Palich and Bagby (1995) revealed that entrepreneurs categorized business situations as less risky than other people. Palich and Bagby (1995) added that entrepreneurs categorized risky situations as positive. Segal, Borgia, and Schoenfeld (2005) believe that "tolerance and positive attitudes toward risk predict entrepreneurial intentions" (Sánchez, 2013: 451).

According to Jain and Ali (2013: 129) risk taking is a psychological variable reflecting a person's ability to take calculated risks and achievable challenges. They (2013: 129) add that it is usually used to describe entrepreneurial behaviour. They (2013: 129) believe that "risk taking propensity is inherent in entrepreneurial intentions." Brockhaus (1980) defined "risk propensity as perceived probability of receiving the reward associated with the successful outcome of a risky situation." McClelland (1961) highlights that "entrepreneurs have moderate risk taking propensities." Gasse (1982) acknowledges that personal risk, social risk and psychological risk are related to an entrepreneur. If an entrepreneur has financial obligations due to his/her unsuccessful enterprise, he/she can face with financial losses which can jeopardize his/her future life standards (Jain and Ali, 2013: 129).

2.4. Entrepreneurial Alertness

Entrepreneurial alertness is a major trait for entrepreneurs. Entrepreneurial alertness leads entrepreneurial intention. There are several researches verifying the effects of entrepreneurial alertness on entrepreneurial intention. Entrepreneurial alertness causes entrepreneurs to explore and get the advantage of new opportunities. Entrepreneurs need to conduct SWOT analysis for their ventures. They need to appraise strengths and weaknesses of their organizations. Also, they need to evaluate opportunities and threats of task environment and general environment. Entrepreneurs don't have to seek opportunities all the time. They should have knowledge and information about environment. They should take the advantage of opportunities when they realize them. They can develop new ideas, products, and services. There are studies which highlight that entrepreneurial alertness affects entrepreneurial intention.

Kirzner (1973, 1979, 1982) developed the concept of "entrepreneurial alertness" which suggested that entrepreneurship was discovering and exploiting opportunities and resources when the economy moved to equilibrium. The entrepreneur identifies opportunities, recognizes production factors and products with low prices to foresee profit opportunities. Kirzner assumes that information-seeking behavior is the main property of entrepreneurial alertness. Kaish and Gilad (1991) conducted the first empirical test to the theory of alertness (Kirzner, 1973), found empirical support for it, and revealed that entrepreneurs used information differently and became more alert to opportunities. They (1991) proposed that entrepreneurs improved their alertness to opportunities by using information to assess business opportunities' potential. They (1991) added that entrepreneurs scanned environment for information that led to opportunities but managers depended on economic analyses to search opportunities. Kaish and Gilad asked "How do entrepreneurs position themselves to encounter opportunities?" Kirzner (1973) and Kaish and Gilad (1991) reveal that the hypothesis of alertness supposes that entrepreneurs are more persistent but less focused for solving problems and searching opportunities. Entrepreneurs explore unobvious opportunities and identify them by linking various information in new ways when the market reaches equilibrium for known opportunities. Kaish and Gilad (1991: 49) point out that "Alertness will exhibit itself in a continuous 'search' for information, through broad and undirected scanning that will take place at unconventional times and places, as opposed to a directed, rational search, which takes place in appropriate times...and expected places...where managerial search is more likely to occur" (Busenitz, 1996: 35-37).

Opportunity identification is at the core of entrepreneurial ability. Entrepreneurs' capability to identify opportunities affects development of new ventures. Entrepreneurial alertness facilitates discovering emerging markets. Successful entrepreneurs are independent and have abilities to forecast profits. Kirzner (1973, 1979, 1985) defined "entrepreneurial alertness" as the ability to notice a chance that had been ignored by other people (Kirzner, 1979). According to Kaish and Gilad (1991) and Gaglio and Katz (2001), Kirzner suggests that entrepreneurial alertness is a unique ability allowing people to pioneer opportunities. Ray and Cardozo (1995) highlights that entrepreneurial alertness is related to information receiving behavior of a person toward incidents and objects in the environment. Baron (2006) points out that entrepreneurial alertness depends on unique cognitive abilities of a person such as innovation and intelligence. Ardichvili et al. (2003) believe that high levels of alertness toward information are essential to confirm potential opportunity. They (2003) define that alertness is a behavioral tendency, where people pay close attention to incidents and objects. They (2003) add that alertness is sensitive to information. The theoretical framework proposed by Ardichvili et al. (2003) shows that entrepreneurial alertness has a positive effect on opportunity identification. Entrepreneurs develop and evaluate opportunities after they confirm and realize them. Politis (2005) reveal that ability of an entrepreneur to recognize opportunities is stimulated by enhanced entrepreneurial alertness. Shapero and Sokol (1982) propose that high levels of alertness will increase the possibility to find opportunities. Kaish and Gilad (1991) state that entrepreneurs can be more alert to identify opportunities if they obtain information before. They (1991) add reflecting, reading, discussing and detecting information to entrepreneurial alertness concept. They (1991) acknowledge that entrepreneurial alertness increases the capability to identify opportunities (Chang et al., 2014: 1-7).

Gelderen et al. (2008) believe that entrepreneurial alertness (Kristiansen and Indarti, 2004) affects intention of students to be entrepreneurs (Astuti and Martdianty, 2012: 107).

2.5. Entrepreneurial Intention

Entrepreneurial intention shows the intention of a person to choose to be an entrepreneur for his/her career. People who have entrepreneurial intentions plan to take calculated risks, gather required resources and establish their own ventures. Entrepreneurial intention initiates entrepreneurial actions.

Bird (1998) believes that intention is the state of mind which directs intentions and actions of a person towards entrepreneurship. Linan and Rodriguez (2004) state that intention is the effort of a person to act entrepreneurially (Khan, 2013: 187-188). Hmieleski and Corbett (2006: 48) believe that an entrepreneurial intention is an intention to establish a high-growth business. Pruett (2012: 94) believes that entrepreneurial intentions are plans to pursue business ownership careers.

Intention models are based on attitude conceptualization. An attitude is an antecedent of an intention. The desire is a direct antecedent of the intention and a total intermediary between attitude and intention. Bruyat (1993) shows that an entrepreneurial intention is comparable with a will. Fayolle (2000: 405) explains that "the intention is a will to achieve an act." Bird (1988, 1992) reveals that an intention is similar to a freedom and a will. He (1988, 1992) adds that an intention is a state of mind which directs the vision, attention, experiment and action of a person towards his objective. Although, the vision has the constant inspiration, attention and the intention are required to return it to proclamation. Bird (1988) explains that the will helps to achieve organizational goals. He (1988) adds that the intention is based on needs, values, practices and beliefs of the entrepreneur (Hajer and Habib, 2013: 673-674).

Lau, Chan, and Man (2000) believe that encouraging entrepreneurial characteristics related to entrepreneurship development can affect entrepreneurial intention. Baron (2000) acknowledges that psychological traits predict entrepreneurial intention. Rauch and Frese (2007) believe that locus of control, propensity to take risk, self-efficacy, need for achievement, tolerance for ambiguity, and innovativeness are psychological characteristics associated with entrepreneurship. Bygrave (1989) showed a model including "need for achievement, internal locus of control, tolerance for ambiguity, and risk-taking propensity as determinants of entrepreneurial intention." Robinson et al. (1991) revealed that achievement, innovativeness, locus of control, and self-confidence would predict entrepreneurial attitudes (Sánchez, 2013: 449-450).

Entrepreneurial intentions are affected by holistic thinking and analytic thinking. Thought processes underlie business plans, opportunity analysis, and all goal-directed behaviors (Boyd and Vozikis, 1994: 63-65).

Entrepreneurial intentions are based on business plan development, resource acquisition, behaviors directed by objectives. Entrepreneurial intentions are also based on visions, dreams and feelings of entrepreneurs. Entrepreneurship starts with entrepreneurial intentions. The entrepreneurial intentions depend on internal and external locus of control which have different variables (environment, market, finance, and regulations). Krueger et al. (2000) believe that a person's consideration initiates intentions. They (2000) add that entrepreneurial intentions are the most important processes to explain entrepreneurship. Autio et al. (1997) tested Davidsson's model (1995) which proposed that economic and psychological factors affected entrepreneurial intentions of university students. They (1997) found that intentional elements including outlooks, attractions, attentions, and beliefs affected behavior. Brockhaus (1982) and Robinson et al. (1991) argue that theoretically and conceptually entrepreneurial attitudes and behavior are better approaches to study the entrepreneurial intentions than personality, environment, and demographics because they are more behavior-specific rather than characteristic-specific (Gaddam, 2008: 38-39).

Kakkonen (2011: 227) explain that the students must have willingness and motivation to be entrepreneurs and have an intention for that. She (2011) explored perceptions of university students' business competences and entrepreneurial intention. She (2011) found that students were confident to rate their business competences and the perceptions of their entrepreneurial intention was low (Kakkonen, 2011: 225-227).

3. Methodology

3.1. Research Goal

The purpose of this study is to explore the effects of the personality traits on the entrepreneurial intention. The author was inspired from Orman's (2009) study. The hypotheses and research questions were gathered from Orman's (2009) dissertation.

3.2. Sample and Data Collection

The study was conducted on graduate students in the institute of social sciences of a foundation university which is in İstanbul in Turkey. The questionnaire was sent to 1660 valid e-mail addresses of these graduate students. 480 questionnaires were gathered and analyzed. Thus, 480 students is the sample of this study.

3.3. Research Model

The research model of the study is as follows:

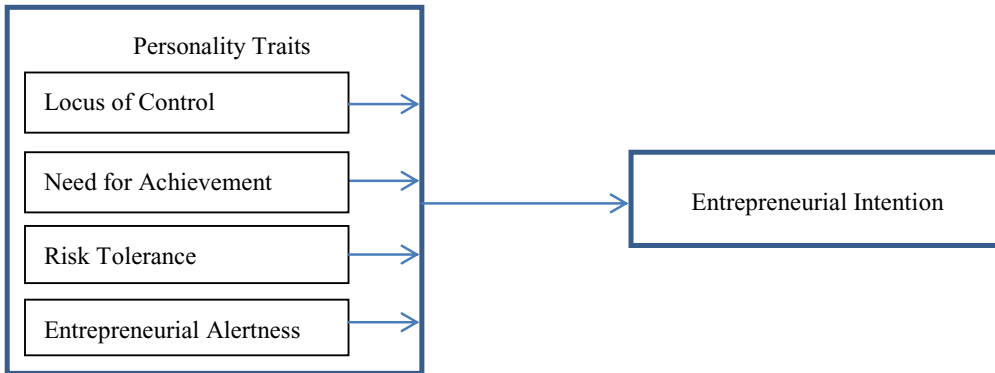


Fig 1. Research Model

3.4. Hypotheses

The hypotheses of the study are as follows:

- H1: Personality Traits Affects Entrepreneurial Intention
- H1a: Locus of Control Affects Entrepreneurial Intention
- H1b: Need for Achievement Affects Entrepreneurial Intention
- H1c: Risk Tolerance Affects Entrepreneurial Intention
- H1d: Entrepreneurial Alertness Affects Entrepreneurial Intention

3.5. Measures

Questions of this study were taken from Orman’s (2009) dissertation and are presented in Table 1.

Table 1. Questions of the Study

	Source	Question
Employment Preference	Kolvereid (1997)	How likely is it that you will pursue a career as employed in an organization?
	Orman (2009)	How likely is it that you will pursue a career as employed in government offices?
	Kolvereid (1997)	How likely is it that you will pursue a career as self-employed?
Locus of Control	Kristiansen and Indarti (2004)	Diligence and hard work usually lead to success
		If I do not succeed on a task, I tend to give up
		I do not really believe in luck
Need For Achievement	Kristiansen and Indarti (2004)	I will do very well in fairly difficult tasks relating to my study and my work
		I will try hard to past work performance
		I will seek added responsibilities in jobs assigned to me
		I will try to perform better than my friends
	Mhango (2006)	I desire and pursue success
		I have little fear of failure
		I attribute success or failure to myself rather than to others and circumstances
		I enjoy completing tasks
		I return to uncompleted tasks and finish them
		I put in great effort sometimes in order to learn something new
Risk Tolerance	Verheul et al (2006)	One should not start a business if there is a risk it might fail
		Risk of failure is a major concern for me
		Trade publications read per month
Entrepreneurial Alertness	Kaish and Gilad (1991)	Percentage of off hours devoted to thinking about improving business
		Think about new business ideas on vacation
		Think ideas for new business

3.6. Analyses and Results

KMO and Bartlett test result for independent variables are presented in Table 2.

Table 2. KMO and Bartlett Test Result for Independent Variables

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.885	
Bartlett's Test of Sphericity	Approx. Chi-Square	69376.464
	df	3350
	Sig.	0.000

The cronbach alpha values of the independent variables were calculated. The factor analysis was conducted to find out factor loadings of independent variables. Multiple regression analyses were conducted to find out the effects of independent variables (internal locus of control, need for achievement, risk tolerance, entrepreneurial alertness) on the dependent variable (entrepreneurial intention). A validity of the study was done by Orman (2009).

Factor analysis results of independent variables are presented in Table 3.

Table 3. Factor Analysis Results of Independent Variables

	Factor Loading	% Variance Explained	Cronbach α
Factor 1: Need For Achievement		29.4	0.848
I desire and pursue success	0.807		
I will seek added responsibilities in jobs assigned to me	0.801		
I will try hard to improve on past work performance	0.712		
I enjoy completing tasks	0.710		
I attribute success or failure to myself rather than to others and circumstances	0.702		
I will try to perform better than my friends	0.607		
I will do very well in fairly difficult tasks relating to my study and my work	0.511		
I return to uncompleted tasks and finish them	0.402		
I put in great effort sometimes in order to learn something new	0.420		
I have little fear of failure	0.416		
Factor 2: Locus Of Control		7.1	0.821
Diligence and hard work usually lead to success	0.890		
If I do not succeed on a task, I tend to give up	0.880		
I do not really believe in luck	0.745		
Factor 4: Entrepreneurial Alertness		6.4	0.802
Think about new business ideas on vacation	0.836		
Percentage of off hours devoted to thinking about improving business	0.826		
Think ideas for new business	0.805		
Trade publications read per month	0.725		
Factor 3: Risk Tolerance		6.0	0.786
One should not start a business if there is a risk it might fail	0.812		
Risk of failure is a major concern for me	0.731		
KMO = 0.885 P = 0.000		48.9	

The factor loadings of independent variables is bigger than 0.3. A KMO value of 0.885 reveals that the data is appropriate to investigate. Since the KMO value reveals that there is a perfect correlation between the variables, the factor analysis can be conducted. The Bartlett's test result of 0.000 points out that the variables are suitable for factor analysis. The independent variables' Cronbach's alpha values are acceptable for testing reliability of the scale. 48.9% of variance is explained in the factor analysis and considered good for validation.

Multiple regression analysis model summary of personality traits and entrepreneurial intention are presented in Table 4.

Table 4. Multiple Regression Analysis Model Summary of Personality Traits and Entrepreneurial Intention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.609 ^a	0.370	0.365	1.21878	1.875

a. Predictors: (Constant), Need For Achievement, Entrepreneurial Alertness, Locus Of Control, Risk Tolerance
 b. Dependent Variable: Entrepreneurial Intention

The dimensions of the personality traits explain 37% of entrepreneurial intention. Entrepreneurial alertness is the most important dimension that explains entrepreneurial intention. Multiple regression analysis coefficients of personality traits and entrepreneurial intention are presented in Table 5.

Table 5. Multiple Regression Analysis Coefficients of Personality Traits and Entrepreneurial Intention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.112	0.255		9.020	0.021		
	Need For Achievement	0.213	0.052	0.022	1.652	0.019	0.514	1.541
	Entrepreneurial Alertness	0.181	0.051	0.679	1.316	0.008	0.594	1.032
	Locus Of Control	0.124	0.032	0.001	0.630	0.032	0.623	1.754
	Risk Tolerance	0.121	0.052	0.044	0.552	0.013	0.703	1.612
F: 1.01 (p: 0.000)								

(p < 0.05), Dependent variable: Entrepreneurial Intention

Hypotheses

H0a: Locus of Control Does Not Affect Entrepreneurial Intention.

H1a: Locus of Control Affects Entrepreneurial Intention.

p = 0.032 < 0.05 H0a is rejected.

H1a is accepted at 0.05 significance level. Thus, Locus of Control Affects Entrepreneurial Intention. Locus of Control has a positive effect on Entrepreneurial Intention.

Hypothesis 2:

H0b: Need for Achievement Does Not Affect Entrepreneurial Intention.

H1b: Need for Achievement Affects Entrepreneurial Intention.

p = 0.019 < 0.05 H0b is rejected.

H1b is accepted at 0.05 significance level. Thus, Need for Achievement Affects Entrepreneurial Intention. Need for Achievement has a positive effect on Entrepreneurial Intention.

Hypothesis 3:

H0c: Risk Tolerance Does Not Affect Entrepreneurial Intention.

H1c: Risk Tolerance Affects Entrepreneurial Intention.

p = 0.013 < 0.05 H0c is rejected.

H1c is accepted at 0.05 significance level. Thus, Risk Tolerance Affects Entrepreneurial Intention. Risk Tolerance has a positive effect on Entrepreneurial Intention.

Hypothesis 4:

H0d: Entrepreneurial Alertness Does Not Affect Entrepreneurial Intention.

H1d: Entrepreneurial Alertness Affects Entrepreneurial Intention.

p = 0.008 < 0.05 H0d is rejected.

H1d is accepted at 0.05 significance level. Thus, Entrepreneurial Alertness Affects Entrepreneurial Intention. Entrepreneurial Alertness has a positive effect on Entrepreneurial Intention.

Thus, H1 is accepted. Personality Traits Affects Entrepreneurial Intention. Personality Traits has a positive effect on Entrepreneurial Intention.

4. Conclusion

Locus of control is the degree of control of a person over his/her life. People who have internal locus of control can have entrepreneurial intentions and choose to be entrepreneurs. They may believe that their decisions and actions can affect the success of their businesses. Need for achievement is the drive of a person to be successful. Having high need

for achievement leads high entrepreneurial intentions. People who have high need for achievement want to prove themselves as successful entrepreneurs. Risk tolerance is a major trait of entrepreneurs since they face with risks more than other people. People who tolerate risks can have more entrepreneurial intentions. Entrepreneurs should take calculated risks while they are establishing and managing their businesses. Entrepreneurial alertness affect entrepreneurial intentions. People who have entrepreneurial alertness can have entrepreneurial intentions. They can search for opportunities to establish and manage their own businesses. Entrepreneurial intention is the intention of a person to be an entrepreneur. People who have entrepreneurial intentions can be more successful when they establish their ventures. They can be more dedicated to entrepreneurship when they face with problems in the process of managing their ventures. Locus of control, need for achievement, risk tolerance, and entrepreneurial alertness are dimensions of personality traits which affect entrepreneurial intention. According to research findings, locus of control, need for achievement, risk tolerance, and entrepreneurial alertness affect entrepreneurial intention. Thus, personality traits affects entrepreneurial intention. Personality traits has a positive effect on entrepreneurial intention. This study is designed to make contributions to both academicians and potential entrepreneurs. Academicians can examine personality traits and other factors which affect entrepreneurial intention by conducting follow-up studies. Potential entrepreneurs can understand personality traits affecting the entrepreneurial intention much better and improve these traits to become successful entrepreneurs.

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