



ENTREPRENEUR
DEVELOPMENT: PREVUE
AND MTQ48

BACKGROUND

In early 2002 we were involved with Careerdecisions Ltd (who are now Greater Merseyside Connexions Partnership (GMCP)) and Merseyside Businesslink - which has similarly metamorphosed into another organisation (GME).

The original objective was to add a psychometric component to a European Funding bid mounted by a consortium of North West organisations (led by Knowsley College). The bid aimed to introduce a new approach to supporting the development of enterprise in the North West.

As part of that preparation for that bid Careerdecisions and Businesslink arranged for AQR Ltd to carry out testing on 39 individuals who had started their own businesses over the past 3 or 4 years. They were part of a programme supported by both organisations and these individuals and others attended regular networking meetings in Liverpool.

The individuals had started businesses, which ranged from the ordinary (hairdressing) through to leading edge (an educational software developer).

Of these a small but significant number had been identified as successful. Success was defined for this exercise as:

- Had been in business for 3 or more years
- Had increased turnover in each of those years
- The individuals were involved full time in the enterprise and were making a living from it
- Their business had recruited or were in the process of recruiting at least one person.

(The last criterion was the real point of the exercise. It was felt that it was better to sponsor lots of small potential employers rather than just encourage a single big investor in setting up on Merseyside and employ lots of people.)

PREVUE

Using Prevue we were able to use its benchmarking feature to “create” a profile for a successful entrepreneur by testing these and - using a concurrent study process - to emerge with a broad profile.

The results were interesting:

- The most successful entrepreneurs were people of **average** ability. People with high ability levels generally did not do as well!

This was important because Businesslink wanted to encourage a lot more people to try to be self-employed. One issue is that people with poor educational attainment levels often had a corresponding low self-esteem. By focusing on ability and measuring it in this way they hope to encourage more to have a go.

The explanation here is that a good deal of work when you run your own business is fairly humdrum. There is rarely a great deal of intellectual challenge involved. Those who are brighter than average can become easily bored with the day-to-day routines of running a business.

- The most successful had a strong interest in working with people. Relationship building is important for a business that does not have things like brand strength to fall back on.
- The most successful entrepreneurs were generally slightly more co-operative and submissive than average. This surprised many but is logical when one considers the relationship building issue noted above.
- The most successful were more structured than the average and there is little evidence that innovation is necessary. (Confirming that perhaps success is 99% perspiration and 1% inspiration!)
- The most successful were more poised than average but were fairly excitable (=energetic). The best were above average on emotional stability - which is what you would expect.

So a benchmark for a small business entrepreneur exists and can be used in to help assess an individual's strengths and weakness in terms of striking out on their own.

MENTAL TOUGHNESS QUESTIONNAIRE - MTQ48

One of the elements of the study is that we held a focus group with the participants who described their experiences in getting underway. All described the first two years as being very demanding. One actually used the phrase "mental toughness".

All spoke of the pressures arising from:

- the unexpected happening (always apparently at the wrong time) and customers changing their minds about their needs – often at short notice (*challenge*)
- working to targets - often from an unsympathetic bank or customer (*commitment*)
- dealing with setbacks (*confidence*)
- working long hours because they had so many things to do and they only had themselves as a resource. (*control*)

At that time, we did not have MTQ48 but all of these correspond exactly to the four scales in MTQ48 (indicated in italics in brackets above) and indicates that MTQ48 is a powerful development tool for this group.

Using both measures it should be possible to identify where - on a number of very practical scales - the individual might have strengths and potential weaknesses. As in most things, if we acknowledge and understand our weaknesses we can do something about them.

This means that the individuals need to be open to the support that psychometrics can provide - which is an issue.

Many of the participants in the above exercise were hostile to our use of tests.

They preferred to treat being an entrepreneur as a kind of “black art”. It is possible nevertheless - with a small amount of training - for competent counselors to build these tools into their armory and add value for their clients - the would-be entrepreneurs.