

## **Psychology of the (International) Entrepreneur**

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### **Abstract**

Entrepreneurial motivation, which is impacted by both internal and external environmental factors, is what propels the development of entrepreneurship. Entrepreneurs' psychological behaviours also contribute to their motivation. This essay covers the psychology research on entrepreneurs and makes recommendations for how to develop a productive workplace culture and a contemporary outlook on work. Entrepreneur success depends on a variety of elements, including creativity, inspiration, ethics, and principles. It is crucial to keep in mind that there is no distinct population of entrepreneurs and that making assumptions and generalisations might be dangerous. Entrepreneurs are generally driven by a mix of intrinsic psychological and financial benefits, and both rational and irrational causes can have an impact on their behaviour.

### **Introduction**

Creating, developing, and managing a new company endeavour with the intention of attaining long-term financial rewards constitutes the dynamic and always changing concept of entrepreneurship. It entails spotting a market gap and creating a good or service to fill it, as well as taking risks and putting money into the company to expand. Individuals or groups can engage in entrepreneurship in small firms, start-ups, or major corporations. Entrepreneurs frequently exhibit traits like innovation, resiliency, adaptability, willingness to take calculated risks, and strategic and creative thinking.

By enabling an individual to run their firm in several nations, reaching a larger consumer base and having access to more resources, international entrepreneurship advances the idea of entrepreneurship. Many other methods, including licencing, franchising, exporting, and foreign direct investment, can be used to carry out this procedure. Rapid internationalisation is a relatively new phenomena that has been fuelled by a variety of developments, including changes in consumer behaviour, global economic conditions, and technological advancements.

For businesses, international entrepreneurship can offer a variety of advantages, including greater profits and market share, access to new tools and resources, and increased competitiveness (Keupp, M.M. and Gassmann, O., 2009). Managing cultural differences,

understanding unfamiliar laws and legal systems, and coping with heightened competitiveness are just a few of the difficult issues that can arise.

Research on international entrepreneurship has concentrated on figuring out the variables that influence this process as well as the tactics businesses can employ to successfully deal with the difficulties involved. To make better decisions and succeed in their global entrepreneurial activities, individuals and organisations must have a thorough understanding of these opportunities and obstacles.

Entrepreneurship is a lifelong activity that calls for constant learning, adaptability, and originality. International business owners must have the flexibility to adapt as circumstances change and the ability to act swiftly. They must have the capacity to recognise new opportunities and adjust to various cultural and legal contexts. They must be able to manage the difficulties and seize the chances that come with managing a firm in several different nations.

### **Psychology of the (international) Entrepreneur**

Understanding the connection between effective business leadership and the mental skills and traits that successful entrepreneurs possess is fundamental to the psychology of entrepreneurship (Brockhaus, R.H., 1982). It has a tight relationship to organisational psychology, which combines real-world business application with the study of the human mind to improve corporate efficiency and foster a positive work environment for both individuals and entire organisations.

The concept of entrepreneurship has several facets and takes into account a variety of psychological elements both on an individual and a cultural level (Blanchflower, D.G. and Oswald, A.J., 1998). It is essential to comprehend the psychology of multinational entrepreneurs since they must deal with special possibilities and problems that determine their success in the global market. These elements, which are vital in influencing a person's decision to pursue this career route, include self-efficacy, risk-taking tendency, cognitive flexibility, cultural intelligence, adaptability, and access to resources. A detailed grasp of the psychological characteristics, behaviours, and attitudes that underpin success in this profession is necessary for the complex and dynamic field of international entrepreneurial psychology.

There are numerous schools of thought on how to be successful in business and entrepreneurship, making the psychology of an entrepreneur fascinating and difficult on an individual level. The first area is motivation. People are motivated to become entrepreneurs for a variety of psychological reasons. Entrepreneurs are frequently motivated by the need

for independence, the chance to make a difference, and the desire to develop personally and professionally (Segal, G., Borgia, D. and Schoenfeld, J., 2005). People who crave independence may decide to start their own businesses since it gives them the freedom to direct their own careers and make their own choices. Entrepreneurs frequently view their work as a method to bring about beneficial change in the world, which can be a motivating factor. As entrepreneurs frequently seek out new challenges and chances to better themselves, the desire to learn and grow can also be a motivator. Entrepreneurs can find opportunities and make wiser choices if they are aware of what drives them personally.

The second area is self-efficacy, which is the conviction that one can achieve in a specific activity or circumstance. It is regarded as a crucial psychological quality that can affect a person's decision to launch their own business (Frese, M. and Gielnik, M.M., 2014). People who score highly on self-efficacy frequently feel very confident in their own talents and are more likely to think that they can successfully launch and expand a business. Additionally, having high self-efficacy is known to promote creativity, optimism, and motivation, all of which are crucial characteristics for an entrepreneur to have.

The desire to accept risks and follow possibilities despite the possibility of failure is the third area, which is known as risk-taking propensity. Risk-taking inclination is a crucial psychological characteristic in the context of entrepreneurship as the process of beginning and expanding a firm is fraught with uncertainty and the possibility of failure. (Macko, A. and Tyszka, T., 2009). Risk-takers are maybe more likely to seek entrepreneurial chances since they are less likely to be discouraged by the possibility of failure. This is being able to recognise prospective hazards, assess their likelihood and impact, and put mitigation or avoidance measures into place. Entrepreneurs who can balance their willingness to take risks with effective risk management are more likely to be successful in the long run.

The fourth area is cognitive flexibility. Emotional intelligence and cognitive flexibility are important psychological traits that can assist businesspeople in navigating various situations, spotting new opportunities, and adapting to changing circumstances. (Dheer, R.J. and Lenartowicz, T., 2019). Cognitive flexibility is the capacity for original thought and strategy modification in the face of novel knowledge or challenges. On the other side, emotional intelligence is the capacity to comprehend and control one's own emotions as well as those of others. Additionally, additional psychological qualities like inventiveness, tenacity, and resilience can aid entrepreneurs in better managing difficulties and succeeding in their activities. These qualities can make entrepreneurs more capable of

spotting new possibilities, overcoming challenges, and adapting to shifting market conditions.

Cultures that appreciate the individual person place a strong emphasis on ideals like independence, autonomy, and self-reliance. Collectivist cultures, on the other hand, place more emphasis on the requirements and objectives of the group (Moriani, J.A., Gorgievski, M., Laguna, M., Stephan, U. and Zarafshani, K., 2012). Cultural norms, such as perspectives on risk-taking, can also influence how someone makes decisions. Furthermore, cultural intelligence is a crucial psychological quality that can aid people in navigating various cultural and legal contexts, seeing opportunities, and adapting to changing circumstances. Such elements must to be taken into account when a person is thinking about starting a business abroad because they will affect their prospects of success and long-term profitability.

In conclusion, International entrepreneurs' success in the global market is greatly influenced by their psychology, both personally and culturally. Key variables of an individual's decision to pursue this career route include self-efficacy, risk-taking propensity, cognitive flexibility, cultural intelligence, adaptability, and availability to resources. To make better judgements and succeed more in their international entrepreneurial activities, people and organisations must have a thorough understanding of the psychology of international entrepreneurs. It's critical to remember that entrepreneurship is a continual process that calls for constant learning, adaptation, and creativity. International entrepreneurs need to be able to think on their feet, anticipate changes, and make decisions quickly in order to navigate the challenges and opportunities that come with operating a business in multiple countries.

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