

**THE PROFILES OF SUCCESSFUL BAHRAINI
ENTREPRENEURS**

**BY
HASSAN MUBARAK AL AYDI**

**Project Submitted to the University of Bahrain
in Partial Fulfillment of the Requirements
for the Degree of
Master in Business Administration**

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ABSTRACT

Entrepreneurship is a new field of science. Entrepreneurs play a major role in the economy and prosperity of a nation. The aim of this study is to furnish a preliminary but essential knowledge on Bahraini Entrepreneurs. Therefore, this research study serves two purposes, first: it presents a detailed and updated literature review of entrepreneurship, new approaches were presented. Secondly: it presents the successful Bahraini entrepreneur's characteristics and profiles, based on the data collected through a structured questionnaire and interviews from thirty successful Bahraini entrepreneurs. More than twenty characteristics were identified. Recommendations and scope for further studies have been highlighted.

PREFACE

Entrepreneurship is in the early stage of rapid growth cycle in both industry and academy. The major factor in Entrepreneurship field are entrepreneurs, who are they? what are their dominant common characteristics?

Researchers did not agree on one definition for entrepreneurship or entrepreneurs, yet they did not deny the complexity of the subject matter and their agreement on the necessity for finding a mutual approach to study this important new field.

The importance of this dissertation stems from the fact that understanding successful entrepreneurs will provide guidance to would be potential entrepreneur. Therefore, successful and super successful Bahraini entrepreneurs were selected for this research study. The aim is to furnish a preliminary, but essential knowledge on these important talented people in the economy. The study also serves as the first study on Bahraini entrepreneurs

The dissertation body contains five chapters. In chapter 1 general information and census were highlighted on Bahraini entrepreneurial environment. The scope of the study and selected sample for this study were explained in term of questionnaires, interviews, size, frame limitations, .. etc. One of the major limitations was the very, very slow response and limited interview duration given by them.

In Chapter 2, the dilemma of the entrepreneur definition was thoroughly explained. Historical development of the definition were pointed out along with selective definitions. Attempts were made to collect all related definitions for successful entrepreneurs. The author gives his view and his definition for successful entrepreneurs with emphasis on growth factor.

The theoretical background for the entrepreneurship and entrepreneurs field depends to a large degree on behavioral science. Therefore, part was devoted to traditional conception of entrepreneurs, and relevant theories were discussed..

Entrepreneurs are different. They work in different environments and different businesses. Types of entrepreneurs are a forgotten area. The author realized a lack in research studies concerning this field, which might

be considered as one step before considering characteristics or profile. Probably identifying characteristics of each type may be a step forward in understanding entrepreneurship, resolve the definition dilemma and will put the research approaches on the correct way.

Entrepreneurs play an important role in the economy. Their role in economic growth, as new economic activities creators was discussed, and accordingly a question raised on the role of Bahraini entrepreneurs.

The most important literature since the 1970's were reviewed and updated. These literature reviews may be considered as historical development on the entrepreneurs and the entrepreneurship field. Concentration on the past 7 years is an indication that researchers recently realized the importance of this field.

The characteristics and profiles of entrepreneurs are endless. Common characteristics that have been reported by known authors were gathered and explained.

Interviews and questionnaire results collected from successful Bahraini entrepreneurs were analyzed and evaluated

in relation to literature review and the successful Bahraini entrepreneur characteristics were highlighted in chapter 3. Findings were summarized and further analysis for selected data were discussed in chapter 4.

In chapter 5 inferences were drawn from the above findings and presented in the conclusion. Scope for further studies and recommendations were also identified based on the same.

Acknowledgment:

The author is grateful to Dr. Golam M. Khan, who has made this research study possible for three reasons: First by introducing the subject of entrepreneurship to University of Bahrain, secondly, by assisting me in selecting successful Bahraini entrepreneurs as a topic for this study, thirdly, his patience in coaching me through, with his talent and understanding.

I am also grateful to my family for their support and understanding during this endeavour.

Many thanks to all Bahraini entrepreneurs who contributed to this study by answering the questionnaire and allowing me a part of their valuable time for the interviews.

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CHAPTER - 1

INTRODUCTION

1.1 The Environment:

Bahrain is a small country, a small island situated in the Arabian Gulf, and connected to Saudi Arabia through King Fahad Causeway which was opened only few years ago (1986). The infrastructure available as well as easy communication and transportation with the world, put the state of Bahrain in the new era of rapidly increasing businesses such as services, which was ignored before.

Therefore, business proliferation, business profiles as well as the small market size characterize the Bahrain market, hence most of successful business and entrepreneurs are influenced by the same.

Industrial production (apart from Aluminium) is also limited to the Bahraini market and Gulf States' needs, 219 factories were recorded in Industrial Companies Guide (made in Bahrain), (Modi:1991), where most can be considered as assembling a final stage of production such as Aluminium products, Soft drinks (Pepsi), Cooking oil refining ... etc. The commercial sector is an old sector, going back thousands of years in history. Trading with India and Africa was very well-known where Bahrain exported its famous pearls and imported food (rice, spices), wood, cloths, cosmetics, and other commodities.

However, the phenomenon of Enterprise and Entrepreneurship also goes back in history. The super successful entrepreneurs of the mid 19th century are still influencing the Bahraini market. If we attempt to classify the type of business entrepreneurs who did influence in Bahraini, then we may end up with three periods:

1. Pearl and fishing era till 1940's (Poor economy period)
2. Changing to oil era, 1950's & 1960's (Transitional period)
3. Industry and Services era started in the 1970's onward (boom economy)

Before the discovery of oil in Bahrain, successful entrepreneurs were found in Pearl Trading. A very well known type of Entrepreneur was the "NOKHETHA". He was the business captain who provided all the resources required for such an undertaking. He hired the ship(s), the captain(s), sailors and divers team. He provided them at the start of the pearl fishing with small money loan for the individual and the ship(s) requirement. Depending on their catch (output), individuals were rewarded according to their position status, minus the given loan. When the pearls were traded in India, this type of entrepreneur imported different merchandise to sell in Bahrain. Therefore, they became self sufficient with high capital and they dominated the market. Accordingly it is not surprising to find that the existing Bahraini super successful entrepreneurs are the sons of old "NOKHETHAS" (Almoayyed:1992). This type of Entrepreneur disappeared when the pearl industry was hit by the shift from pearl fishing industry to oil production and refining industry. This also

coincided Japanese success with developing techniques to produce artificial pearls. Increase in size of private sector became significant. The indications are that with the rate of exporting our oil, it will be depleted within the next 30 years. By discovering the oil, the Bahraini Economy thrive on oil and related products. Consequently the rapid growth in the economy accompanied a rapid growth in construction and building Bahrain infrastructure (Abdulla:1991). A new breed of successful entrepreneurs mainly in construction evolved and became giants.

The establishment of Aluminium factory "ALBA" provided very good opportunities for the private sector where raw aluminium in different shapes are provided, for aluminium down stream industry.

The limited oil resources forced the Government to diversify the national income. They encouraged the industry, services and tourism. More emphasis was put on encouraging the private sector to invest in these areas.

It is noted that the opportunities are tremendous in all the above sectors. The gap between non-oil export and import for the year 1989 amounted to BD 421 Million (US\$ 1,108 Million). This represents 59% of total imports (CSO:1989).

1.2 The Population of Bahrain:

Population in Bahrain reached 519,000 in December 1991. Bahrainis represent 62.2% of total population. The detail of

the December 1991 census is not yet available. However, the following ratios were obtained from 1981 Census. Sex ratio is 101 males for every 100 females. The population of male Bahraini in the age range 25 - 54 represents only 27.5% of total Bahraini males. The majority of the population were below 20 years old (CSO:1989). Comparison from the 1981 and 1991 figure gives the population of males between the age of 25-55 years working in private sector as just under 24,000.

Bahraini males between the age 25 - 55 (1989 projection):

Bahrainis in private sector	24,000
Government Male Employees	16,000

Total	40,000
	=====

The high educational level achieved as in table-1 below, note that 57.5% are not educated:

TABLE 1

BAHRAINI'S HIGH EDUCATIONAL LEVEL ACHIEVED

Illiterate	53,239	31.3%
Read & Write	44,621	26.2%
Primary School	28,014	16.4%
Intermediate	17,684	10.4%
Secondary	18,876	11.1%
Diploma	4,549	2.7%
B.Sc. or B.A.	2,921	1.7%
Master's Degree	320	0.2%
Ph.D or Equivalent	42	0.0%
Not Stated	57	0.0%
	-----	-----
TOTAL	170,323	100.0%
	=====	=====

(Source: S.A 1989, Page 26)

Labour Force:

Bahrain has experienced a rapid economic growth in the last decade. Due to high oil prices in early stage and growing need to expand manufacturing and services sector later on, those factors lead to creation of a huge number of work opportunities and greater demand on manpower.

Labour force for 1981:

Bahraini	Male	-	97%
	Female	-	3%
Non-Bahraini	Male	-	97.5%
	Female	-	2.5%

TABLE 2

LABOUR FORCE BY DIVISION OF ECONOMIC ACTIVITY 1971-1981

	<u>1971</u>	<u>1981</u>
Agriculture & Fishing	2,995	2,437
Mining, Quarrying & Manufacturing	5,614	7,461
Electricity, Gas & Water	1,480	1,855
Construction	5,639	3,903
Wholesale, Retail Trade, Restaurants & Hotels	4,851	5,836
Transport, Storage & Communications	5,067	8,657
Financing, Insurance, Real-Estate & Business Services	740	2,789
Community, Social & Personal Services	10,930	22,453
Non-Specified Activities	62	148
Working Abroad	--	1,886
	-----	-----
TOTAL	37,378	57,425
	=====	=====

(Source: S.A 1989, Page 273 -274)

TABLE 3

LABOUR FORCE BY DIVISION OF OCCUPATION

	<u>1971</u>	<u>1981</u>
Professional Technical Related Workers	2,886	8,065
Administrative & Managerial Workers	549	838
Clerical & Related Workers	3,933	11,092
Sales Workers	4,043	4,907
Service Workers	4,611	8,232
Agricultural, Animal Husbandry, Forestry Workers, Fishermen & Hunters	3,122	2,805
Production, Related Workers, Equipment Operators	13,126	14,031
Miners, Quarrymen, Well Drillers & Related Workers	173	101
Transport & Communications Workers	3,863	6,771
Not Stated	1,072	520
TOTAL	37,378	57,425
	=====	=====

(Source: S.A 1989, 275 - 276)

The above Table shows that there is an increasing trend on the demand for services, industrial and professional.

Significant increase is noted (almost 80%) in number of workers in services sector. On the other hand, traditional jobs show a decrease mainly in number of workers in agricultural and fisheries.

Number of Establishments:

The following Table shows that the number of establishment in 1989 were 1939, which were mostly in construction (606),

TABLE 4

ECONOMIC ACTIVITY VS. NUMBER OF ESTABLISHMENTS

Economic Activity	Employment Groups								
	1 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 199	200 to 599	600 & above	Total
Agri- culture & Fishing	43	16	11	2	1	1	0	0	74
Mining & Quarrying	1	0	2	0	0	0	0	1	4
Manu- facturing	38	58	93	75	18	28	11	2	323
Electri. Water, Gas	11	7	24	18	6	6	3	0	75
Construction	62	105	175	147	54	39	16	8	606
Wholesale Retail Trade and Restaurants	26	57	107	124	32	19	13	1	379
Transport Storage & Communication	14	10	23	26	11	5	1	2	92
Financing, Insurance, Real Est. Business Services	10	22	35	47	15	4	8	0	141
Community Social & Personal Services	32	41	71	67	21	7	3	3	245
TOTAL	237	316	541	506	158	109	55	17	1939

(Source: S.A. 1989, Page 287 - 289)

1.3 Bahraini Entrepreneur Population:

The exact figure of entrepreneurs is not known. However, 1988/89 report shows that there are 1434 Bahraini employers as in the Table below:

TABLE 5

ESTABLISHMENTS OF EMPLOYERS BY DIVISIONS OF ECONOMIC ACTIVITY/INCLUDED IN THE SOCIAL INSURANCE SYSTEM (1988-1989):

DIVISION OF ECONOMIC ACTIVITY	NON-BAHRAINI		BAHRAINI	
	1988	1989	1988	1989
Agriculture & Fishing	0	0	61	70
Mining & Quarrying	0	0	1	2
Manufacturing	11	14	232	250
Electricity, Gas & Water	4	4	61	61
Construction	19	19	515	498
Wholesale, Retail Trade, Restaurants & Hotels	9	9	301	308
Transport, Storage & Communications	8	7	46	47
Financing, Insurance, Real Estate & Business Services	19	19	23	25
Personal Services	15	16	140	173
TOTAL	85	88	1380	1434

(Source:.. S.A 1989, Page 289)

The number of establishments increased during 1988-1989 by 54. Though the number is small, it represents a 4% growth.

The following Table gives an overall picture for the Bahrain Workers in the Private Sector, as well as number of establishments and companies.

TABLE 6

TOTAL BAHRAINI ESTABLISHMENTS OF EMPLOYERS & WORKERS INCLUDED
IN THE SOCIAL INSURANCE SYSTEM (1988-1989):

	1988	1989
Bahraini Workers	22309	23392
Total Establishments	1870	1939
Establishments & Companies	405	417
Employers	1380	1434

(Source: S.A 1989, Page 289)

1.3.1 Importance and Objectives of the Study

Entrepreneurship subject became interesting to some of the researchers, mainly in U.S.A. Concentration on this issue started only in the past 10 years. Therefore, entrepreneurship is quite a new subject particularly in this part of the world and in the developing countries.

There is not any academic study conducted on Bahraini Entrepreneurs or Entrepreneurship in Bahrain. Consequently, seminal informations must be provided to enhance the research studies on this issue.

The entrepreneurial activity is growing as the economy is growing due to the Government policy to utilize all different sources available to encourage private sector investment in new ventures. The importance of the study came from the importance of entrepreneurs and the private sector to the Bahrain economy. The first are considered the business creators and economy motivators and later in general as a substitute for depleting natural resources. Accordingly, a basic research study in this respect is deemed needed. The study is designed to provide some basic and essential information on successful Bahraini Entrepreneurs. It emerged from the fact that there is a need to provide socio-economic and psychological profile of Bahraini Entrepreneurs which will hopefully provide role models for the young and would-be entrepreneurs in the country.

1.3.2 Scope of the Study:

The study covers existing successful and super successful Bahraini Entrepreneurs, those who are currently leading the private sector in different fields and significantly contributing to the economy with their business.

1.3.3 Sample Frame and Size:

In consultation with established business owners, member of the Chamber of Commerce and Academics, a total of 51 successful entrepreneurs were identified. They were approached with a request to participate in the study and are

given a questionnaire. We were able to get 30 responses and this sample contains most of the super successful Bahraini entrepreneurs, those who are very well-known by name and reputation in the Island as well as in the Gulf region.

Total questionnaires distributed	51
Total replies received	30
Total interviews conducted	26

1.3.4 Questionnaire:

The Questionnaire was designed with 42 questions covering the entrepreneur profile and their businesses and it looks into aspects effecting the entrepreneur and his business venture start-up. It also includes relevant topics such as, entrepreneur, their roles, risk taking propensity, managerial capability, internal and external environment among others.

1.3.5 Interviews:

Interviews were conducted with all entrepreneurs who accepted the researcher's request to do so. The aim of the interview was to clarify the question and record answers and to get an in depth reply. On the other hand, these interviews give the author an opportunity to see how they think, behave and respond during the interviews.

1.3.6 The Type of Enterprise and Establishment:

The sample contains a variety of businesses, which covers

- Industrial Products such as Chemicals, Petroleum,

Electrical Appliances, etc.

*Manufacturing
services*

more regarding

such as

- Services such as Manpower, Transportation, etc.
- Sales and Retails such as Confectionery, Sweets, Clothes etc.
- Manufacturing such as Tailoring, Aluminium Frames, Corn oil, Soft Drinks, Dairy Products etc.
- Trading such as Motor Vehicles, Food Stuff, Clothes, etc.
- Others such as Agencies, Hotels, etc.

For further details for each entrepreneur's type of business included in this study, see Appendix D.

1.3.7 Limitation of the Study:

It was clearly understood when this research study was selected that some difficulty would be faced in getting entrepreneurs to respond. They are always very busy and they don't have time to spare for interviews or answering the questionnaire. Three areas of major difficulties were faced.

- 1) Very slow or no response
- 2) They give limited time for the interview (25-60 minutes)
- 3) References and Bibliography related to this research study are not all available in Bahrain.

1.3.7.1 Slow Response:

Entrepreneurs showed their willingness to contribute to this study by accepting to answer the questionnaires and to allow the author to interview them providing that they have enough time to do so.

This put the author in great difficulty. It took more

than eight months to collect the primary data required for this research. Some of the entrepreneurs were approached more than ten times. In this respect they may be categorized as follows:

TABLE 7
DURATION OF RESPONSE

<u>Response within months</u>	<u>No.</u>	<u>%</u>
1 - 2	6	12
3 - 5	5	10
6 - 8	10	20
More than 8	9	18
No Response	20	40

The author considers a response within two months is very quick, 6 responded in less than two months. 5 responded within three to five months, 10 responded in five to eight months, 9 took more than eight months to respond, unfortunately 20 did not respond at all. Three of this group apologized to the author that they do not want to contribute to the study. Two entrepreneurs accepted to meet the researcher who discovered that they didn't see the questionnaire, though it was telefaxed to them, and then they refused to give answers. They felt it is very much personal issue. Quite a number who refused to answer the questionnaire agreed to be interviewed within a given time, provided this will eliminate any written documents that may somehow harm them. The final category are those who didn't respond. They didn't say no. They always ask to give them time and they will call back, but they never did.

1.3.7.2 Limited interview time:

Entrepreneurs are very much concerned with time. They want to devote all their time to their business. The average interview time given is 45 minutes, rarely exceeded one hour. The minimum time was 25 minutes. Their behavior during these interviews was not consistent. Few are very well organized. They devoted time for the interview without any interruption. All telephone calls were transferred to others during the interview. On the contrary, some interrupted the interview by answering telephone calls and signing papers. One of the entrepreneurs answered six telephone calls within 45 minutes interview. Two entrepreneurs were known to the author who allowed me to interview them for more than two hours, of course not during working hours.

1.3.7.3 References & Bibliography:

Non-availability of references and Bibliography in Bahrain, periodicals on small business/ entrepreneurship recently introduced (since 1989) to Bahrain University Library, otherwise no sources were found. Therefore, the author sought all the possible means and ways to obtain relevant secondary data. Some papers were requested through the Inter Library Loan Service

and some were received. On the other hand, communication through book shop agent "Family Book Shop" to obtain three main sources, mainly from U.S.A. and U. K.

- i) D. L. Sexton & R. W. Smilor (Ed), The Art and Science of Entrepreneurship, Cambridge, M.A., Ballinger, 1985
- ii) C. A. Kent, D. L. Sexton & K. H. Vesper (Ed), Encyclopedia of Entrepreneurship, Englewood Cliffs, N.J., Prentice Hall, 1987
- iii) Frontiers of Entrepreneurship Research by Karl H Vesper, Wellesley, Mass 1984.

Unfortunately, none was received as the last two are out of print and some difficulties are being faced to receive the first one. However, the author managed to obtain personally some references on the subject from Foyles - U. K. Three of them can be considered as valuable references on the subject matter. These are:

- i) D.L. Sexton & R.W.Smilor (Ed). The Art and Science of Entrepreneurship, Cambridge, MA, Ballinger, 1985.
- ii) Welsh J.A & White J.F, The Entrepreneurs Master Planning Guide, Prentice Hall, 1983
- iii) Sexton D.L. and Upton N.B.B., Entrepreneurship Creativity and Growth, Macmillan, 1991

Other valuable books were searched for, but could not be found.

CHAPTER - 2

ENTREPRENEUR & ENTREPRENEURSHIP:
A LITERATURE REVIEW

2.1 HISTORICAL DEVELOPMENT OF A DEFINITION

The word entrepreneur is a French Term that was used to describe people who provided services or owners of very small business who employs five or fewer people. The English language provides a broader meaning, here, entrepreneur is attached to people who start and operate their own business and many attach the name to doers and achievers.

In the past, sociologists and psychologist have described entrepreneurs as jungle fitters characterized by "sadistic authoritarian tendencies". First, early researchers in entrepreneurship even referred to them as rejects or not very likeable people, second, now a days this opinion has been changed. Entrepreneurs have become heros or captains of industry.

The process of determining, who the entrepreneurs are? what do they do? or, why they do it?. It has eluded researchers for a number of years. Some feel that the search for a definition of an entrepreneur has not progressed much since 1971, when Peter Kilby related the search for a definition of an entrepreneur to that for the Heffalump in Winnie the Pooh.

The search for the course of dynamic entrepreneurial performance has much in common with hunting the Heffalump.

The Heffalump is a large and rather important animal. He has been hunted by many individuals using various ingenious to have caught sight of him report that he is enormous, but they disagree on his particularities" (Kilby:1971). Not having explored his current habitat with sufficient care, some hunters have used as bait their own favorite dishes and have then tried to persuade people that what they caught was a Heffalump. However, very few are convinced, and the search goes on. Research has often been directed more toward defining the characteristics and/or demographics of a selected group than toward attempting to determine what entrepreneurs do and why they do it. The first is the trait or characteristic approaches, the later is the behavioral approach.

2.2 SELECTIVE DEFINITIONS OF ENTREPRENEUR

"In modern times the entrepreneur assumes many forms. He may be a private businessman, a partnership, a joint stock company, a cooperative society, a municipality or similar body" (Livingston:1922).

"...entrepreneurship, as defined, essentially, consists in doing things that are not generally done in the ordinary course of business routine. It is essentially a phenomenon that comes under the wider aspect of leadership" (Schumpeter:1934)

"...the purposeful activity (including an integrated sequence of decision) of an individual or group of individuals, undertaken to initiate, maintain, or aggrandize a profit-oriented business unit for the production or distribution of economic goods and services." (Cole:1959)

"Founders of new businesses" (Davids:1963)

"The 'successful entrepreneur' was defined as a man or woman, who started a business where there was none before, who had at least 8 employees and who had been established for at least 5 years" (Hornaday & Aboud:1971)

" We have examined the entrepreneur, who is involved in substantial ventures and have considered what we found in light of traditional thinking that he is a special type of individual - somehow an unusual and uncommon man - a man apart. It probably is true that very successful entrepreneurs become men apart. But, at the beginning, when they make the decision to start an entrepreneurial career, they are in most respects very much like many other ambitious, striving individuals". (Liles:1974)

"..an entrepreneur is defined as a major owner and manager of a business venture not employed elsewhere" (Brockhaus:1980)

"The entrepreneur is perceived as a person who uses a new combination of production factors to produce the first brand in an industry." (Lachman:1980)

"A person who organizes and manages a business undertaking assuming the risk for the sake of profit. For present purposes, this standard definition will be extended to include those individuals who purchase or inherit an existing business with the intention of (and effort toward) expanding it." (Hull, Bosley and Udell:1980)

"Entrepreneurs are, by definition, founders of new businesses." (Mescon and Montanari:1981)

Many recent writers are still struggling with the definition of the entrepreneur. Long recognizes three recurring themes emerging from the various definitions - namely, that entrepreneurship involves uncertainty and risk, complementary managerial competence, and creative opportunism. The definitions have changed as business concepts have evolved and ownership forms have changed. It was once felt that one must own a business in order to be considered an entrepreneur. This requirement is no longer believed to be necessary, and in fact many researchers believe it is possible for entrepreneurs to exist as employees of a large corporations. Thus the birth of the concept "intrapreneur." (Wayne:1983)

However, there are equally vocal opponents of this concept of entrepreneurship. Indeed, some distinguish between small business owners and entrepreneurs who own business.

Carland (1984) developed the following definitions:

Entrepreneur: An entrepreneur is an individual who establishes and manages a business for the principal purpose of profit and growth. The entrepreneur is characterized principally by innovative behavior and will employ strategic management practices in the business.

Small Business Owner: A small business owner is an individual who establishes and manages a business for the principal purpose of furthering personal goals. The business must be the primary source of income and will consume the majority of one's time and resources. The owner perceives the business as an extension of his or her personality, intricately bound with family needs and desires. Of course, this viewpoint is also challenged.

A number of other questions about entrepreneurial research exists. There is usually no indication of the type of business the entrepreneur is managing. In addition, some of the research concentrates only on successful entrepreneurs, while other research examines the characteristics of those interested in becoming entrepreneurs with no consideration of their success rate.

A theoretical definition of an entrepreneur that reflects the current research knowledge and that can be easily operationalized is clearly needed. In fact, an effective operational definition would be useful in developing a theoretical definition that has widespread acceptance by researchers. One such definition would be that an

entrepreneur is "an individual who is willing and able to engage in personal risk taking and responsibility, while at the same time combining the means of production and credit, in the expectation of realizing profit and/or other specific objectives such as power and prestige" (Hornaday & Aboud:1971).

Hence an entrepreneur may be described as a person who can recognize an opportunity in the marketplace and is willing to marshal the resources necessary to exploit that opportunity for long-term personal gain. (Sexton & Bowman:1991).

2.3 DEFINITION OF SUCCESSFUL ENTREPRENEUR

Though most authors and researchers continue the debate on a proper definition for the entrepreneur through studying successful entrepreneurs, only a few give an explanation to what the term successful means.

Hornaday and Aboud (1971) defined a successful entrepreneur as a man or woman who started a business where there was none before, who had at least 8 employees and which had been established for at least 5 years.

They emphasize the number of year for a business to be in existence (function) and that it was not established before its creation and limit a number of employees. The number was reduced to minimum of 8 compared with a year earlier by

Hornaday and Bunker (1970) where the limit was 15 or more employees.

The entrepreneur's success is usually measured with success of his business which must be measured over a period of time and the argument here that it is not enough for entrepreneur to succeed to create a new business but to succeed to keep it alive, strong enough to grow with time. Silver (1988) highlights entrepreneurial traits required for an entrepreneur to be successful. "To make a success of the new company, the entrepreneur needs the following character traits: heart, patience, drive, the ability to cooperate, coverage, and understanding of leverage."

It is obvious that only few business start-ups become successful and grown into mature enterprises; most fail during the first two years. Bachemin and Tina (1989) explain that the major reason the start-ups fail is because some very good entrepreneurs turn out to be very poor managers. Starting and managing a business require different skills and ways of thinking.

Two criteria have been taken in this research study to define successful Bahraini entrepreneurs. These are (1) Businesses already established for not less than 5 years, and (2) Their businesses are growing and expanding. Growth is considered a major factor in defining the successful entrepreneur, they have to be growth oriented.

2.4 TYPES OF ENTREPRENEUR

It is noted from the literature review that there are many types and classifications of entrepreneurs.

It is the author realization to the importance of the above subject matter in understanding entrepreneurs characteristics. Probably it is the first step towards solving entrepreneurship and entrepreneurs definition dilemma. The idea is that the Heffalump consist of organs, say hands, legs, head, etc. representing here entrepreneurs types, by identifying and understanding each organ profile and by drowing common characteristics between the parts, the shape of the Heffalump may be put in perspective and identified.

The following represent the views and opinions available from literature reviews.

- Smith (1967) identified two types of entrepreneurs;
(1) the craftsman entrepreneurs, and (2) the opportunistic entrepreneurs.

The craftsman entrepreneurs are limited in cultural background and low in social involvement. The opportunistic entrepreneurs are broader in education and social involvement and they are more aggressive in long range development and expansion of their business.

Hornaday and Bunker (1970) study showed evidence of the value of that distinction. The first group tend to score high on Occupational Interest Survey (OIS) test in jobs such as travel agent, retailing and psychologist. The latter group tended to score highest in engineering areas, computer programmers and science area.

- Collins & Moore (1970) distinguish two types, independent and administrative entrepreneurs.
- Webster (1977) suggests a five types classification
(1) Cantillon entrepreneur, (2) industry maker,
(3) administrative entrepreneur, (4) small business owner/operator, and (5) independent entrepreneur.
- Entrepreneur in High Technology Industry:
Technical Entrepreneurs are characterized with high experience, back-ground and education. They mostly got their experience from previous work and they produce product same or closely related to their prior organization. High percentage (50-80%) had family back-grounds of business ownership (Shapero & Sokol:1982). Most technical entrepreneurs start their firms when they were in their thirties (Liles:1974). Independence and self-achievement found to be major motivating factors. (Thorne & Ball:1982)

Mescon and Montanari (1981) made a comparison study between independent and franchise entrepreneurs. They supported

Vesper's (1980) assertion that franchisees are simply a modernized variation of the classical entrepreneur. The significant differences that emerged identify the independent entrepreneur as preserving, detail oriented business person for the industry surveyed. Limited support for influence of business context on entrepreneurial personality was evident for the endurance and other personality characteristics. They concluded that the context of the new venture in terms of the type of enterprise (franchise vs independent) and entrepreneur's sociocultural background interact to influence the characteristics of the individual who will start a new business.

There are many different types of entrepreneur, each distinguishable by the manner in which they operate. Vesper (1980) has developed an eleven-category range of entrepreneurial styles: (1) solo-self employed individuals, (2) team builders, (3) independent innovators, (4) pattern multipliers, (5) economy of scale exploiters, (6) capital aggregators, (7) acquirers, (8) buy-sell artists, (9) conglomerators, (10) speculators, (11) apparent value manipulators.

When examining Vesper's classification it is possible to find entrepreneurial types who do not create a new business or even own the business. This continuum recognizes that the environment surrounding the entrepreneurial decision is

highly varied. The personality of the individual who could be a successful solo-self employed business owner might be much different than that of the speculator. While Vesper's approach is only one way to categorize entrepreneurs, such a broad classification system supports the argument that there is no generic entrepreneur.

Douglas (1989) attempts also to differentiate various types of entrepreneurs as follows:

SOLOIST:

A soloist is a self-employed individual who operates either alone or with a few employees only. Soloists include tradespeople, brokers, small family businesses, and so on.

KEY PARTNER:

A key partner is an individual in partnership with others, but the partners are either inactive or they assume a minor role.

GROUPER:

these are individuals who prefer the psychological and/or financial relief of working with a group of partners. They are less autonomous than key partners as decisions are shared by the group. Medium to large legal and accounting firms are good examples of where this type of entrepreneur can be

found.

PROFESSIONAL:

This category includes traditional professionals such as solicitors, accountants, dentists, doctors, architects, and engineers. Consultants can also be included in this group. These self-employed experts are highly specialized and have had considerable higher education.

INVENTOR-RESEARCHER:

Inventor-researchers are usually tinkerers or frustrated professionals who decide to start another business, such as a laboratory to test a new product or service.

HIGH-TECH:

A high-tech entrepreneur generally has advanced education, and technical expertise, particularly with electronics or computers.

WORK FORCE BUILDER:

An individual who starts working on his or her own, then builds a large company through astute hiring, delegation, and organizational abilities, is a work force builder.

INVETERATE INITIATOR:

This person enjoys the challenge of initiating new enterprises, but quickly loses interests in maintaining them once the challenge has been met. The inveterate initiator is

frequently looking for opportunity to start new enterprises.

He or she usually sells the existing business and uses the proceeds to start the next. Generally this type of person goes into business with the specific goal of selling it for profit.

CONCEPT MULTIPLIER:

This type of individual recognizes a successful business concept that has the potential to be duplicated with additional profit. Franchising is one concept multiplier approach; another is licensing; another still is chain expansion.

ACQUIRER:

This person prefers to take over an existing business rather than start a new one. That way the risk is reduced because there is established goodwill. A lot of the difficulties and struggles experienced in the initial years are eliminated, allowing energy to be directed to increasing profit and enhancing business growth.

SPECULATOR:

Many speculators have found their fortune in property. This can take many forms; buying rented residential property, upgrading the premises, increasing the rent and then selling it; buying and renovating houses for profit; or subdividing

land, thereby increasing its value. Land provides the leverage to allow you collateral to borrow against. This type of entrepreneur has the potential to acquire enormous assets on which capital gains can be earned. Other commodities, such as antiques, art, and stamps can also provide a profitable business return.

TURN-ABOUT ARTIST:

The turn-about artist buys companies with problems, but potential for profit. He or she first identifies the areas of weakness in the business, and makes a low offer. The entrepreneur then reduces costs and payrolls to eliminate losses, removes unprofitable lines, and adds more promising ones. Generally he or she makes the company a lean, efficient business. The business is then sold at a profit.

VALUE MANIPULATOR:

A value manipulator is an entrepreneur who acquires an asset at a low price, then legally manipulates the financial structure so that it appears to be worth a lot more. It can then be resold at a higher price.

LIFESTYLE ENTREPRENEUR:

An individual who enjoys the fringe benefits of success and looks on a business as a means to attain the trappings of the 'good life' can be considered a lifestyle entrepreneur.

COMMITTED MANAGER:

The committed manager looks on his or her business as lifetime employment to be nurtured and developed at every stage, from start-up to profitability. Personal satisfaction comes from the challenge of directing the growing concern and managing all its changing problems.

CONGLOMERATOR:

This is the kind of entrepreneur who obtains control of one company, then uses shares of that company to buy control of other business, thereby creating a conglomerate.

CAPITAL AGGREGATOR:

The capital aggregator has the capacity to raise large sums of money, through investors or otherwise, then acquire very attractive businesses through extensive financial leverage.

MATRIARCH OR PATRIARCH:

A matriarch or Patriarch is an individual who heads a family-owned business. His or her desire is to continue to have family members control the business, whether the company is privately held or publicly quoted.

GOING PUBLIC:

Some entrepreneurs start or acquire a company with the sole

intention of taking the company public.

A generic definition of the entrepreneur does not exist. (Van de Ven:1980) warned researchers not to be tempted into the study of traits and personality characteristics. He compared the development of the effort to identify who is going to become an entrepreneur with the historical development of leadership theory.

Researchers wedded to the conception of entrepreneurship for studying the creation of organizations can learn much from the history of research on leadership. Like the students of entrepreneurship, this research began by investigating the traits and personality characteristics of leaders. However, no empirical evidence was found to support the expectation that there are a finite number of characteristics or traits of leaders and that these traits differentiate successful from unsuccessful leaders. More recently, research into leadership has apparently made some progress by focusing on the behavior of leaders (that is what they do rather than what they are) and by determining what situational factors or conditions moderate the effects of their behavior or performance. Vesper's (1980) work followed such an approach.

Barry (1980) offers a different approach to the

classification of entrepreneurs. His research suggests that small and medium firms could be classified as either those still controlled by their entrepreneurial founders or those that are traditional family businesses. The entrepreneurial firms reflect the founder's personality, while family businesses are in second, third, or subsequent generations. An expansion of this classification system would be the addition of the category of high-technology entrepreneur.

The high-technology entrepreneur was associated initially with the development of a range of high technologies in space and computers. These entrepreneurs tend to be highly educated in the science or technologies and to have studied in business administration and/or have established a team of business associates who have the necessary business skills to launch a high-technology venture (Roberts:1984).

The population ecology school of thought approach to identifying entrepreneurs. Freeman and many other population ecologists believe that environmental forces are more important in understanding organizations' creation and survival than are the adaptive actions and attributes of individual entrepreneurs. Several studies support this view. Bruno and Tyzoon (1980) discussed environmental studies that have shown that availability of economic resources is conducive to the creation of new ventures.

Pennings (1982) examined seventy urban areas. The quality of life in terms of economic, education, and health issues was shown to have the most positive impact on the creation of new firms. Contrarily, quality in the political and environmental sector had a negative impact on the creation of new firms. This approach contrasts sharply with the investigations that have dealt with personality characteristics and other psychological attributes as being the determining factors in entrepreneurial decision.

In conclusion, there is a lack of research studies in this regard. Entrepreneurs' classification and types should be understood as a first step prior to understanding entrepreneurship, business creation and success. The following steps may be considered in doing so, first, to classify and identify types of entrepreneur, secondly to draw the common characteristics for each types and thirdly to identify the basic characteristics shared between all types. Entrepreneurs' classification is not a new subject, as it can be noted from the above literature reviews.

2.5 TRADITIONAL CONCEPTION OF ENTREPRENEURS

Traditional views of entrepreneurship have emphasized psychological and economic models, and a special kind of social-cultural model.

2.5.1 PERSONALITY THEORIES - Personality-based theories of entrepreneurship posit that people's special personal traits make them prone to behaving and succeeding as entrepreneurs (Brockhous:1986). The list of traits is nearly endless but includes internal locus of control, low aversion to risk taking, aggressiveness, ambition, marginality, and a high need for achievement.

Just as all people have their own definition of personality, practically all laypersons and scholars have their own theory of personality. The diversity is attributable to the extreme complexity of the unique, whole person conceptualization of the personality. Because of the wide range of opinion, it is difficult to organize a meaningful discussion. However, the most logical breakdown seems to be into psychoanalytic, type, trait, self, and social theories of personality (Luthans: 1981)

2.5.1.1 PSYCHOANALYTIC THEORIES - Freud's model is characterized by the conflicting personality constructs (id, ego, and superego) and unconscious motivation. The ego

concept implies that humans are rational, but the id, the superego, and unconscious motivation give the impression that humans are very irrational. Under the Freudian approach, behavior is based on emotion.

2.5.1.2 TYPE THEORIES - The search for personality types has generally taken one of the following three approaches:

1. The physique or body-type theories have concentrated on determining a relationship between features of the face or body and personality.
2. The physiological theories have concentrated on the relationship between body chemistry or endocrine balance and personality.
3. The third way to type personalities is in terms of behavior or psychological factors. (the introvert-extrovert typology)

2.5.1.3 TRAIT THEORIES - Another approach for putting some degrees of order into personality theory has been the search for identifiable traits. A personality trait can be defined as an "enduring attribute of a person that appears consistently in a variety of situations" (Kimbel:1974)

In combination, such traits distinguish one personality from another. The two most widely known trait theories come from the classic work of Gordon Allport and Raymond Cattell.

2.5.1.4 ALLPORT'S TRAIT THEORY - Allport (1937) bases his theory on the distinction between common traits and personal dispositions. Besides the common traits, there are traits which are completely unique. These unique traits Allport

calls personal dispositions. They can be cardinal (most pervasive), central (unique and limited in number), or secondary (peripheral).

2.5.1.5 CATELL'S TRAIT THEORY - Catell Raymond B. was able to come up with 171 words that can be used to describe personality traits. He then made a distinction between what he called surface traits and source traits. He determined thirty-five surface traits by finding clusters of traits that correlated (Catell:1965).

2.5.1.6 SELF THEORIES - Elements of the self-concept - Self theories attempt to integrate the various parts of the personality structure into a meaningful whole.

The "I" is the personal self, the self that one believes oneself to be and strives to be. It consists of the individual's psychological process (perception, learning, and motivation) which, in combination, result in a unique whole.

2.5.1.7 SOCIAL THEORIES - The person-situation interaction that is emphasized by social learning can serve as a theoretical foundation for personality.

2.5.1.8 ECONOMIC, RATIONAL ACTOR THEORIES - Neoclassical economic theories view entrepreneurs as rational, isolated decisionmakers. These models assume that, with clear vision

of one's goals and all the required information, a person makes a decision to enter self-employment. The motivated person scans the market and chooses the niche that will maximize his or her returns on assets invested in the business. Recent modifications of the neoclassical approach take account of cognitive limits to rationality and information processing, recognizing the level of uncertainty involved in most economic decisions.

2.5.2. DETERMINISTIC, OVERSOCIALIZED MODELS OF ENTREPRENEURSHIP - Some theories posit a "propensity to entrepreneurship" based on national origins, culture, or religion. Certain groups are believed to possess beliefs, values, and traditions that predispose them to succeed in business, regardless of where they find themselves. At one time or another, various groups have been labelled this way, including the Jews, Chinese, Japanese, and Lebanese. Such models are deterministic and oversocialized because they presume the existence of a stereotypical standard that all members of the group display, and presume that behaviors are evoked regardless of the group member's situation.

Howard Aldrich and Catherine Zimmer (1986) criticized highlighted problems with each of the above theories. They proposed an alternative approach "Focuses on entrepreneurship as embedded in social context, channelled and facilitated or constrained and inhibited by people's positions in social network" (Aldrich & Zimmer:1986).

2.6 THE ROLE OF ENTREPRENEUR & ENTREPRENEURSHIP

Economic growth and prosperity are essentially dependent on the creation of new economic activities to replace declining economic activities such as the coal, steel and other industries. New economic activities are also needed to absorb the manpower resources released by economic activities such as agriculture as these increase their productivity or to absorb the manpower released by large firms as these concentrate and rationalize. New economic activities come into existence essentially through the foundation of new firms by entrepreneurs. Entrepreneurs base their new firms on some innovative idea (Sweeney:1987). Most often it is a relatively small innovation, an incremental improvement on what was in the market before, but not always. It may be a major innovation such as the Apple computer. It may even be, and often has been, an imitation of some innovation in a much more advanced region. Innovation is the key to new product development and to stimulate investment interest in the new ventures created.

Hisrich & Peter (1989) identified three types of innovation (ordinary, technological and break-through) that works and develop the commercialization through one of three mechanisms, the Government, Intrapreneurship and Entrepreneurship. The entrepreneurship is presently the most

effective method for bridging the gap between science and the market place creating enterprise and bringing new products and services to market. These entrepreneurial activities significantly impact the economy of an area by building the economic base and providing jobs (employment) (Hisrich & Peters:1989).

Entrepreneurs assumes many roles during the life of the business. During the pre-venture planning stage, they may be seen as an innovator or an inventor.

Sexton & Bowman Upton (1991) considered opportunity seeker as the role really assumed by entrepreneur. Schumpeter (1961) stressed this role as a distinguishing factor of entrepreneurs. Kirzner (1973) maintained that identification of opportunities in the market is a critical entrepreneurial function.

Entrepreneurial vitality is the key characteristic of a region which generates its prosperity from within itself. It is the entrepreneurs who possess and utilize the five great forces which Jane Jacobs (1984) sees as originating in 'import-replacing cities'-markets, jobs, technology, transplants and capital-and who thus bring wealth not merely to these city regions but also to other regions (Sweeney:1987).

In light of the above we have to question the role of Bahraini Entrepreneur in developing Bahraini National Economy. In recent study (Abdulla Khalid:1991) indicated that the role of the private sector in the economy is largely influenced by Government spending policies which led to active rent seeking and a prevailing rentier mentality. He concluded that such mentality eroded significantly the entrepreneurial ethic/spirit. "A natural outcome of the above was the spread of the rentier and parasitic activities and the reluctance to invest in production activities, which indicate that the entrepreneurial ethic/spirit has been significantly eroded.

The consequence for the long term development is negative, because should oil rents supporting such activities fall, few businesses that generate income and maintain employment would remain" (Abdulla:1991).

2.7 CHARACTERISTICS OF ENTREPRENEURS

"Entrepreneurship is in the early stages of rapid growth cycle in both industry and academia. How far and how fast the area expands will be a function of our ability to analyze and explain the techniques, interfaces, and causal relationships that exist and are expected to occur." (Sexton:1986)

Indeed this field is young. However, research concentration on Entrepreneurs is evident. Understanding this character is a key factor in Entrepreneurship field.

Gartner (1990) looks to entrepreneurship as a very complex idea. He distinguished eight factors (themes) that describe the field.

Stevenson (1984) describes entrepreneurship as an economic function that is reflected by a range of behavior.

Sexton (1991) considers entrepreneurship as an approach to general management that begins with opportunity recognition and culminates with the exploitation of the opportunity.

Gartner (1990) also emphasizes that entrepreneurship is the creation of organization and entrepreneurs are the creators.

The two, entrepreneurs and entrepreneurship are the two faces of the same coin. Together they represent the "play and the player".

The dilemma of how to segregate the two remains an area of debates. The research on entrepreneurship is mainly concentrated on trait approach. However, a number of researchers (Bartner B W 1988, Vesper 1982), have highlighted that behavior approach may be followed to better understand this dilemma .

The list of entrepreneur characteristics is endless. All are in an attempt to answer one question, who are those entrepreneurs ? Most of the research studies were conducted on successful entrepreneurs.

Hornaday and Bunker's (1970) study holds considerable promise of success in predicting and selecting persons who are potentially successful entrepreneurs. They identify the following characteristics: The characteristics which yielded a median of 5 were intelligence, creativity, energy level, need for achievement, taking initiative, and self-reliance. Characteristics yielding a median of 4 were risk-taking, physical health, innovation, leadership effectiveness, desire for money, ability to relate effectively to others, and accuracy in perceiving reality.

Hornaday and Aboud's (1971) study shows that an entrepreneur differs from other men mainly in (1) achievement (2) support (3) independence and (4) leadership. They found that autonomy did not score much on their side. Entrepreneurs interviewed for this study characterise themselves on self evaluation scale as (1) self reliant, (2) take initiative, (3) perseverance, (4) resilience. They show on the same scale that entrepreneurs have no need for power and they are not organized.

Liles (1974) states that it probably is true that very successful entrepreneurs become men apart. But at the beginning, when they make the decision to start an entrepreneurial career, they are in most respects very much like many other ambitious, striving individuals. It appears, moreover, that the entrepreneurial interests for those who elect that path are more a function of external differences than internal ones - more the result of practical readiness and cost/income constraints than of individual psychology or personality. This is not to suggest that starting a successful company is a game that anyone can play. It is, however, a statement that far more people could become entrepreneurs than ever do, and that the inclination of people to move in this direction could be increased by an increased awareness and recognition of this as a career alternative.

Kilby (1971) has likened the search for the entrepreneur to hunting the Heffalump. The Heffalump is a character from A.A.Milne's Winnie-the Pooh, that, in Kilby's words, "... is a rather large and very important animal. He has been hunted by many individuals using various ingenious trapping devices, but no one so far has succeeded in capturing him. All who claim to have caught sight of him report that he is enormous, but they disagree on his particularities". (*-40)

Hull, Bosley and Uddell (1980) reviewed the hunt for Kilby Heffalump. They conducted a survey and study on University of Oregon former student. The result of the study indicates that the following personal characteristics are important in identifying entrepreneurial types of individuals: (1) Function task preferences, (2) Personality constructs -(a) creativity, risk, flexibility, (b) frustration tolerance, persistence, (c) resistance to standard operating procedure and leadership. They concluded that a definitive means of measuring and identifying these characteristics is yet to be developed. The hunt for the Heffalump goes on.

Lachman (1980) indicated that entrepreneurs can be differentiated from nonentrepreneurs by personality characteristics. It can be assumed, therefore, that people who possess the same characteristics as entrepreneurs do, will have a higher tendency (or potential) to perform entrepreneurial acts, than people who do not possess such

characteristics. This, of course, is not to say that entrepreneurial tendency or potential will necessarily be realized.

Hoy and Vaugh (1980) exposed obstacles that face rural entrepreneurs in their efforts to achieve organizational success. They concluded that "according to the data obtained in this study, market related problems and lack of administrative expertise appear to be the most significant types over which the industrial owner/manager has some control. Financial problems were also considered important, but only "somewhat" influenced by added knowledge of the area. Small business managers seem to feel they have the power to deal with these three problem areas and are thus open to advice which will improve their marketing, management, and financial abilities.

Other problems, however, are perceived by the managers as largely uncontrollable. This appears to be particularly true in the area of personnel and personnel-related problems, including such troublesome aspects as recruitment, motivation, and loyalty. Other problems viewed as largely uncontrollable are those relating to government regulations and economic conditions. The external nature of these problems seems to frustrate management attempts to overcome them. Entrepreneurs cite these issues as major problems inhibiting the successful operation of their businesses, yet do not seek outside help in these areas. They apparently do

not believe that actions taken individually will have an impact on problems of these types.

Mescon and Montanari (1981) made a comparison study between independent and franchise entrepreneurs. They supported Vesper's (1980) assertion that franchisees are simply a modernized variation of the classical entrepreneur. The significant differences that emerged identify the independent entrepreneur as perserving, detail oriented business person for the industry surveyed. Limited support for influence of business context on entrepreneurial personality was evident for the endurance and other personality characteristics. They concluded that the context of the new venture in terms of the type of enterprise (franchise vs independent) and entrepreneur's sociocultural background interact to influence the characteristics of the individual who will start a new business.

Nielhouse & Oliver (1986) identified 10 characteristics common to entrepreneurs: (1) They have an ideology or follow a personal vision. (2) They achieve results by **organizing** and bringing together various resources. (3) They are **creative** and intuitive. (4) They believe in their ideas, and their ideas become a source of energy and motivation. (5) Their aggression is **action-oriented**. (6) They are not afraid to take risks. (7) They can reduce problems that inhibit action to one or 2 critical points. (8) They seem to be **impatient**

and restless. (9) They are not as confident of others as they are themselves. (10) They tend to be independent and individualistic.

Hisrich & others (1986) mentioned some characteristics of Ministry entrepreneurs. They (1) were first-born children, (2) came from a lower or middle-class family, (3) had a blue-collar father, (4) were married with children, (5) started the first venture between the ages of 35 and 45, (6) had previous experiences in the area of the venture, and (7) listed achievement, opportunity, and job satisfaction as the strongest motivators for starting the business.

Liebttag (1986) identified two most important difficulties entrepreneurs perceived in running a business (1) personal relationship (with employer and partners), (2) he noted also that they run their business without strategic plan.

Burch (1986) emphasised that innovation is an important tool for entrepreneur's creating a new organization. He mentioned six types of innovation. They are: (1) introducing a better or cheaper product or service, (2) differentiating an existing product or service, (3) introducing a system that increases productivity or decision making, (4) opening a new market, (5) obtaining a new source of supply, and (6) creating a new organization. Four entrepreneurs characteristics were also in this study

(1) desire to achieve, (2) organization, (3) optimism, and (4) acceptance of responsibility.

Ronstadt (1986) conducted a study on the incidence of ventures birth and death throughout the careers of ex-entrepreneurs. He found that entrepreneurs' survival rates increased considerably after the completion of the 2nd year of an entrepreneurial career and the probability of a long career rose significantly after the 6th year.

Olson (1986) characterized entrepreneurs as decision makers who identify and capitalize on opportunities through approaches that emphasize innovation, profitable venture identification, effectiveness, and nonprogrammed or ambiguous situations.

Sexton (1985) described entrepreneurs (1) are tolerant of ambiguity, (2) prefer autonomy, (3) resist conformity, (4) are personally aloof, although socially adroit, (5) enjoy risk-taking, (6) adapt readily to change, and (7) have low need for support. He also highlighted the problems that can arise from these characteristics. They include serious problems in delegation and communication and intense stress or loneliness for the entrepreneur. However, the willingness to accept change and ability to adapt will allow the entrepreneur to respond to problems that arise from poor delegation or communication.

The successful entrepreneur always stressed "honesty and kindness" which affect a pleasant working environment and contribution to their success. (Naisbitt:1986)

McCullough (1986) classified those who operate independent insurance agencies as entrepreneurs. He stated that a successful entrepreneur must do more than just assume the risk for business ventures. Abilities to succeed and cope in the independent agency environment are fostered by such habits and characteristics as: (1) emphasizing mental toughness and concentrating on inner values, (2) acquiring the habit of reading persistently, (3) developing people skills and learning how to deal with people that tend to drain the energy from others, (4) being a good problem solver and learning not to procrastinate when a problem presents itself to be solved, (5) learning to listen to others and being objective, and (6) setting the goal of being a role model for associates.

Feingold and others (1986) emphasised that personal qualities are more important to a business' success than the reasons for starting it, and most successful business people have strong characters. Before acting, prospective entrepreneurs should consider whether they have the traits necessary for a successful business, which include (1) a positive, friendly interest in others, (2) leadership, (3) the ability to handle responsibility, (4) decisiveness, (5) reliability, (6) the

ability to work all day and all night, if necessary,
(7) strength enough to handle reversals without quitting,
and (8) adaptability.

Nelton (1986) found that some of the same behavior traits that make entrepreneurs successful - self confidence, hard work, motivation - can also cause them to fail. Research from Laventhol & Horwath, an accounting firm (Philadelphia, Pennsylvania), the main reason new business fail is that the people with entrepreneurial personalities lack empathy for their employees, and consequently, they have trouble finding, motivating, and retaining the employees they need.

Entrepreneurs often have trouble delegating authority and do not trust subordinates enough to give them substantial authority. The 2nd reason cited for failures is the inability to plan and to accept advice from others. As a business grows, entrepreneurs must give employees room to grow and make decisions, aware that some mistakes are inevitable. Entrepreneurs must learn to coach people instead of dominate them and also allow themselves to be coached for personal growth as well as business knowledge.

A survey by Laventhol & Horwath indicates that entrepreneurs are not driven by money; they are rewarded by the personal satisfaction, independence, and control associated with direct ownership of a business. The study surveyed a cross section of entrepreneurs whose demographic characteristics match owners of all companies with annual sales between \$5

million and \$50 million. Entrepreneurs are found to: (1) be independent, (2) have difficulty in relinquishing authority, and (3) have major problems in managing employees. The 2 greatest problems of owners are their relationships with people and the physical and mental stress associated with being at the top. (Anonymous:1986)

Begley (1987) compares between entrepreneur (founders) and small firms managers (non founders). His findings indicated that entrepreneurs have different characteristics from managers. The findings indicated that (1) founders are more likely to be Type A personalities, less educated, and older than nonfounders, (2) firms run by founders experience faster growth, and (3) aggressive competitiveness associates with financial performance for small business managers but not entrepreneurs.

Mescon (1987) conducted research on super-successful black entrepreneur in south Florida. Their profiles are as follows: "Men, age 25 when starting their first business, are funded overwhelmingly from savings and family sources and are engaged primarily in service oriented functions. These super-successful entrepreneurs operate formally structured organizations that plan and budget at least a year in advance. Work is a common characteristic, few vacation and most work more than 50 hours a week. The greatest fears for the future are government regulation and volatile economic conditions.

A study by Scott and others (1988) found that students whose parents owned a small business showed the highest preference for self-employment and the lowest preference for large business.

El-Namaki (1988) concludes from data on entrepreneurship in developing countries that there are some barriers to entry. These include: (1) limited information, (2) limited access to technology, (3) lack of support services, (4) cultural discrimination against certain groups, and (5) difficulty in acquiring financial resources. Barriers to survival include entrepreneur tendencies to: (1) control all their activity, (2) view formal structures as constraining, (3) distrust the world around them, and (4) crave recognition from others. For the failed business, exit barriers include liquidation of specialized assets with low value and the termination of contracts and obligations.

Khan (1988) indicates that venture capitalists often provide the funding for an entrepreneurial company, and to them, the individual in whom they are investing is more important than the actual product or service involved. A survey of venture capitalists uncovered the personal characteristics they seek in entrepreneurs. These include: (1) a pervasive desire for success, (2) creativity and ingenuity, implying resourcefulness to invent or improve, (3) enthusiasm and the capacity to work hard, and (4) the competence that it takes to reduce the risk inherent in the new venture.

Gartner and others (1988) suggested that use of trait approach to entrepreneurship is insufficient to explain the phenomenon of entrepreneurship. He suggested that (1) the behavioral approach will be a more productive perspective for future research in entrepreneurship, and (2) entrepreneurship ends when the creation stage of the organization ends.

According to Silver (1988) the typical entrepreneur is a male, between 27 and 34, who is dissatisfied with his career path but not his field and who decides to make his mark on the world by developing and selling a product or service to make life easier for many people. Although these entrepreneurs may resent the system that has not rewarded their creativity, they do not feel victimized. They begin to build an organization in which creativity will be rewarded, salaries will be just, and participative management will be the rule, not the exception. To make a success of the new company, the entrepreneur needs the following character traits: "heart," patience, drive, the ability to cooperate, courage, and an understanding of leverage. The entrepreneur's one flaw may be the capacity for forgiveness of human weaknesses, which makes him think incorrectly, that others will react as quickly as he does. But the entrepreneur has good judgment and usually attracts older people who are familiar with the inner workings of corporations and bureaucracies as venture partners.

Mraz (1989) interviewed engineers, who are willing to start their own business by utilizing their experience. They emphasized that perseverance is vital when starting a company. Another trait entrepreneurs need for success is a willingness to take risks.

Dubini (1989) conducted a study to determine which entrepreneurial team characteristics are useful predictors of performance. He identifies four very different clusters. They are: (1) high-powered followers, (2) high-technology inventors, (3) low-technology distribution players, and (4) dream merchants. He expected that different entrepreneurial team characteristics would be significant for each cluster, and the results show that this is generally the case. The capacity for sustained and intense effort is especially important for ventures operating in established markets. The ability to assess and manage risk is crucial in those product-market combinations where environmental turbulence implies difficulties in objectively predicting the evolution of the industry, such as in high-tech companies.

Milton (1989) suggested to use the observer-researcher-practitioner approach and overcome causal measurement problem. When this approach is employed, certain patterns of conduct that contribute to entrepreneurial success emerge. Entrepreneurs see a "big picture" perspective. They see the total scene as well as its parts and how the parts affect one

another. They spot unique opportunities, in that they see way to put resources and information together in new combinations. Entrepreneurs make a total commitment to their cause and have a utilitarian view of what is right. They welcome uncertainty and eagerly undertake the unknown. Yet, they use contacts and connections to both open doors and pave the way for events to unfold to their gain. They actively attract competent people and use them to advantage.

Entrepreneurs possess special personal abilities as well as special knowledge of technologies, processes, products, markets, or systems.

Allen and others (1989) conducted a series of interviews with successful entrepreneurs which revealed their unique patterns of thinking and planning. Sixteen clearly defined attitudes, perceptions, and principles were identified, including:

(1) humble, even deprived, origins that create a desire for affluence, (2) a sense of self-reliance, independence, and self-sufficiency, (3) knowledge of self - both strengths and weaknesses, (4) emulation of more experienced role models and willingness to serve as a mentor for others, (5) ability to identify a market niche, (6) having the objective of quality service, not money purse, (7) a perception of work as a privilege, even a joy, (8) acceptance of risk, (9) view of failures as stepping stones toward success, and (10) an attitude toward their work largely as a means to higher ends, such as serving family, rendering charitable service, and being at peace with self.

Pear (1989) reports that eight successful entrepreneurs in the field of corporate communications agree that the one most important ingredient for success in a small business is (1) clients, followed by (2) perseverance and (3) a service-oriented attitude. A sense of humor can help as well. entrepreneurs must like stress if they are to survive, because the pressure is constant.

Lafuente, Alberto, Salas & Vicente (1989) examined each type of entrepreneur, in terms of the personal characteristics and origin of the class. Results indicated that significant differences exist among entrepreneurs and firms of each type, particularly in terms of the number of employees in the firm and its evolution over time. The evidence is that entrepreneurs differ in their personal characteristics, and especially in their aspirations and work expectations.

Several studies were conducted on female entrepreneurs, for example, Schwartz (1976), Sexton (1981), Hisrich (1981,82, 83,85), Smith (1982), Watkins (1983) and others. Recent research by Sexton D.L., Bowman-Upton Nancy (1990) examined the psychological traits of growth-oriented female and male entrepreneurs and tested for significant differences between them. The results showed that the psychological propensities of female and male entrepreneurs are more similar than different.

These are the researches conducted and finished on the entrepreneurs, their characteristic, profile, the difference between them and manager of small business and corporate manager. Recent research by Kaish, Stanley, Gilad & Benjamin (1991) shows that the entrepreneurs spent significantly more time searching for information in their off hours and through non verbal scanning. In addition, they employed different sources than executives and paid special attention to risk cues about new opportunities. The executives tended to focus on the economics of the opportunity. As success and experience increased, the differences became smaller.

2.8 PSYCHOLOGICAL CHARACTERISTICS OF ENTREPRENEURS

What kind of person becomes an entrepreneur ? What characteristic must a successful entrepreneur have ? Are they born with these entrepreneurial traits or can they be learned ?

The previous chapter highlighted the common and different behavior and psychological theories that can be considered the foundation to understand entrepreneurs' common psychological characteristics. Different authors found niche in studying entrepreneurship. Concentration, of course, were made on entrepreneur in an attempt to find the magic formula that a person must have to become a successful entrepreneur. In other words, the key factor for business success is to have a successful entrepreneur.

Brockhaus and Horwitz (1971) examine the psychology of the entrepreneur. They review possible psychological characteristics, assess the effects of demographics (such as age and education), and consider previous business and personal experience. They grapple with various definitions of the term "entrepreneur". They also

discuss risk-taking propensity and innovation, need for achievement, locus-of-control beliefs, problem-solving ability and style as well as the interaction of these elements with environmental factors. Welsh and White (1983) identified eleven personal characteristics which they consider elements for success in starting a business. They are the need to control and direct, self-confidence, a sense of urgency, good health, comprehensive awareness (maintaining a general overview), realism, superior conceptual ability, allow need for status, an objective approach to interpersonal relations, emotional stability, and an attraction to challenge rather than risk.

Hornaday and Aboud (1971) utilized several objective tests to measure personality characteristics of individuals who had successfully started new business. They concluded that successful entrepreneurs differentiate from other men on four scales.

They are:

- (1) achievement, (2) support, (3) independence, and
- (4) leadership. (Hornaday & Aboud:1971).

2.8.1. THE PSYCHOLOGICAL CHARACTERISTICS

In this part we intend to elaborate the psychological characteristics of entrepreneurs.

2.8.1.1 NEED FOR ACHIEVEMENT:

The need for achievement nAch is a general concern with meeting standards of excellence and desire to be successful.

David C. McClelland (1961), a Harvard Psychologist, was most closely associated with the study of achievement motives. His extensive research has emerged as a clear profile of the high achiever characteristics. The specific characteristics of high achiever can be summarized as follows:

1) Moderate Risks:

Taking moderate risk is probably the single most descriptive characteristic of the person possessing high nAch.

2) Immediate Feedback:

Closely connected to high achievers' taking moderate risk is their desire for immediate feedback. People with high nAch prefer activities which provide immediate and precise feedback information on how they are progressing toward a goal.

3) Accomplishment:

High achievers find accomplishing a task intrinsically satisfying in and of itself, or they do not expect or necessarily want the accompanying material rewards. High nAch people look at money as a form of feedback or measurement of how they are doing.

4. Pre-occupation with the task:

Once high achievers select a goal, they tend to be totally preoccupied with the task until it is successfully completed. They cannot stand to leave a job half-finished and are not satisfied with themselves until they have given maximum effort. This type of dedicated commitment often reflects on their outward personalities, which frequently have a negative effect on those who come in contact with them.

McClelland's work has been the major contribution to this area of psychology of the entrepreneur. McClelland characterizes individuals with a high nAch as having a strong desire to be successful. He argues that people who are high in nAch possess the following attributes: (1) prefer personal responsibility for decisions, (2) are moderate risk takers as a function of skill, and (3) possess interest in concrete knowledge of the results of decisions (i.e., money as a measure of success). He concludes that a need for achievement drives people to become entrepreneurs.

While the research continues to find that entrepreneurs are high achievers, the same thing has been discovered about successful executives. The most recent research concentrates on the environmental factors that help determine the individual's career path rather than the level of their nAch. The causal link between ownership of a small business and a high need for achievement has not yet been proven. Most small business owners available to be studied were successful, and this success may contribute to their high need for achievement rather than the reverse.

McClelland himself makes the following observations on his dealings with high achievers over the years: "Some psychologists think that because I've done so much on nAch I must like the kind of people who have strong needs for achievement. I don't. I find them bores. They are not artistically sensitive. They're entrepreneurs, kind of driven-always trying to improve themselves and find a shorter route to the office or a faster way of reading their mail." (McClelland & Harris:1971).

2.8.1.2 LOCUS OF CONTROL

The second characteristic that is closely related to the concept of a high need for achievement is the belief in an internal locus of control. Individuals who cannot believe in the ability to control the environment through their actions

would be reluctant to assume the risk included in starting a business. According to Rotter's (1966) locus-of-control theory, an individual perceives the outcome of an event as being either within or beyond his personal control and understanding.

Rotter believed that need for achievement is related to the belief in internal locus of control. He hypothesized that individuals with internal beliefs would more likely strive for achievement than would individuals with external beliefs (Rotter:1966). More recent studies have supported this hypothesis. Berlew found successful entrepreneurs to desire personal responsibility for their success. Entrepreneurs perform best in situations where they have personal responsibility for results. They tend to be internally rather than externally controlled (Berlew:1975).

Borland (1974) studied locus of control, nAch, and entrepreneurship at the University of Texas with the purpose of discovering what characterized students who intended to become business owners. She found significant differences in internal locus of control between the students who expected to start a company and those who did not. Among those with low nAch, those with higher internal locus of control were found to have a greater expectancy than others on starting a company. The level of internal locus of control made no difference in expectancy of starting a company among those with high nAch. This would seem to indicate that the

combination of personality traits might be more crucial than the possession of any single trait. Borland also found that whether or not a student's father has started a company was the most important variable for predicting expectancy of starting a company (Borland:1974). This agrees with more recent researchers whose findings supported their belief that the environment had a major impact on the entrepreneurial process (Petrof:1981).

Brockhaus and Nord (1979) compared the locus-of-control beliefs in entrepreneurs and managers. The scores of Rotter's I-E Locus-of-Control scale did not differ significantly between the owners of new businesses and managers. The mean score for both the entrepreneurs and managers were lower than any score reported by Rotter. Both were more internal than the other groups discussed by Rotter. The locus-of-control beliefs did not distinguish entrepreneurs from managers; however, the entrepreneurs did tend to hold more internal locus-of-control beliefs than those reported by Rotter for the general population.

Brockhaus compared locus-of-control scores, he had collected in 1975 with the success rate of those business. The owners of businesses that still existed in 1978 were found to hold more internal locus-of-control beliefs than those whose businesses had ceased to exist.

The internal beliefs may have resulted in more active efforts to affect positively the results of the venture rather than attributing less than desirable occurrences to being the result of "luck and beyond the control of the entrepreneur". (Brockhaus:1980).

When Hull, Bosley, and Udell (1982) surveyed over 300 University of Oregon alumni in an attempt to distinguish between the personalities of entrepreneurs and non-entrepreneurs, internal locus of control was the one factor that showed no significant difference. Thus, while an internal locus-of-control belief may be associated with a more active effort to affect the outcome of events, this behavior would seem to hold true for both successful entrepreneurs and successful managers. Therefore, while locus of control fails to distinguish between entrepreneurs and other managers, it could possibly help distinguish successful from unsuccessful entrepreneurs.

2.8.1.3 Risk-Taking Propensity:

One of the high achiever's characteristic is the modest risk taking as determined by McClelland. The risk taking is a prime factor in the entrepreneur's characteristics. There have been a number of studies supporting this idea.

Colton and Uddel (1976) studied the alumni at the University of Oregon. Their results indicated that the personality

characteristics most important in identifying entrepreneurial types of individuals are (1) functional task preference, and (2) personality constructs of creativity, risk, and flexibility. Their results indicate that, with respect to the likelihood of starting a business, the risk scale and creativity scale are much better indicators than nAch and internal locus of control.

However, Brockhaus (1980) cast doubt on the validity of risk-taking propensity as an entrepreneurial characteristic. He found no significant statistical difference in the general risk preference patterns of a group of entrepreneurs and a group of managers.

In another study, Sexton and Bowman (1983) found that students studying to be entrepreneurs scored higher on the variables of autonomy, change, dominance, endurance, innovation, and self-esteem. They scored lower on level of anxiety, cognitive structure, and performance. Sexton and Bowman found no significant difference in risk-taking propensity of entrepreneur students and those of the general student body. It might be tentatively concluded that general risk taking propensity is not a determinant in the decision to become an entrepreneur. However, this study does not take into account the perceived probability of failure of a specific business and the perceived consequence of this

failure. Students might not be aware of the extensive costs of business failure.

It would appear from the studies performed that risk-taking propensity is not an accurate way of distinguishing entrepreneurs. Their risk-taking propensity varies greatly according to the situation. If business ownership is omitted from the definition of entrepreneur, this would allow the inclusion of corporate entrepreneurs and would reduce risk bearing as a prime factor.

2.8.1.4 Problem-solving Style and Innovativeness:

Hoy and Hellriegel (1982) conducted an empirical study of entrepreneurs to assess the model of problem-solving styles suggested by Kilmann and Herden (1976). This model assumes that managers possess relatively permanent cognitive processes by which they perceive data and make judgements. These processes define their problem-solving styles. The study also assumed that the manager's perception of problems and organizational goals is a function of the manager's problem-solving style. Hoy and Hellriegel discovered that the vast majority of the 150 small business managers they studied in Texas were characterized by sensation-thinking problem solving styles (Hoy & Hellriegel:1982). These types of individuals are typified as preferring to deal with "here and now" problems, especially those of a technical or procedural nature.

Since entrepreneurs are faced with a number of challenges as they try to implement new ideas and solve the resulting problems, their innovativeness is a major issue. Schumpeter (1934) felt that innovation was the central characteristic of entrepreneurial endeavor. Winslow (1984) also discussed the idea of innovation and the entrepreneur. He believed that innovation and creativity have occurred under many different business conditions and that innovators seem to believe that puzzles are soluble. In addition, Martin (1984) stressed that entrepreneurial creativity is different from literary or artistic creativity in that entrepreneurs do not innovate by creating ideas but by exploring the value of ideas. However, all of these considerations of creativity and innovativeness still do not differentiate the entrepreneur. While the research supports the perception that entrepreneurs are creative, there is nothing in the research that excludes the more traditional business manager from possessing similar creative and innovative ideas.

2.8.1.5 Values:

Hornaday and Aboud (1971) conducted the first major studies of personal values of entrepreneurs. They utilized several objective tests to measure personality characteristics of individuals who had successfully started new businesses. Forty successful entrepreneurs were interviewed and completed the Kuder Occupational Interest

Survey (OSI), Gordon's Survey of Interpersonal values, and a questionnaire drawn from Edward's Personal Preference Scale (EPPS). Entrepreneurs scored significantly higher than the general population on the EPPS scale reflecting the need for achievement and on the SIV scale for independence and effectiveness of leadership. They scored lower on the SIV need for support scale. The OIS scales were not significantly different from the general population..

These findings would seem to support the previous discussion of the entrepreneurs' high need for achievement and internal locus of control. However, it should be noted that these tests were performed on successful entrepreneurs rather than unsuccessful or prospective entrepreneurs.

Gasse (1977) has conducted several studies on the value orientation of the entrepreneur. His studies seem to indicate that the small business owner-manager or entrepreneur has a different function from the large firm manager or executive, and a different set of attitudes and beliefs about the nature of the management process and business in general. On a continuation of business ideology, Gasse identifies two poles: a rational managerial pole and an intuitive entrepreneurial pole. He believes that a rational managerial business ideology tends to be associated with more complex, integrated ways of thinking than an intuitive-

entrepreneurial ideology, where simple cognitive structures would be prevalent. This would seem to suggest that certain types of entrepreneurs may be more effective in specific industrial environments.

There are several studies which support the intuitive, simple structure of the entrepreneurial value system. Solomon found entrepreneurs to be short-term oriented, while Dunkelberg and Cooper (1982) characterized entrepreneurs as having orientations toward growth, independence, or craftsmanship. Schwer and Yucelt (1984) found that the value orientation of the entrepreneur influenced their risk-taking propensity. Risk-taking propensity varied significantly according to respondents' motivation, how they feel about themselves, the probability of improving themselves, and the probability of accomplishing something useful.

These findings seem to support the perception of the entrepreneur as a concrete thinker, who is concerned with the immediate problems and operations of the business. However, as the organization grows, the entrepreneur would have to adjust his interpretation of the world to deal with its increasing complexity.

2.8.2 THE PROFILE OF THE SUCCESSFUL ENTREPRENEUR

Several attempts had been made to synopsise entrepreneurs' traits, Welsh & White (1983) identified in their work, eleven personal characteristics, they consider them the common elements for success and starting a business.

They are:

(1) Good Health:

Successful entrepreneurs are physically cheerful and healthy. They are able to work for extensive periods of time.

Entrepreneurs in the achievement of building their businesses seem to deny themselves the delicacy of illness and keep themselves well. Successful entrepreneurs who have suffered chronic health problems, such as hay fever, often report that the symptoms disappeared when they started building their own businesses. It appears that psychosomatic symptoms are also suppressed by concentration on achieving business success.

In a small business where there is no depth of management, the leader must be there. In starting a business there is never sufficient revenue to support the staff needed for all the business functions that must be filled. In lieu of paying others to fill the functions, entrepreneurs fill them with personal effort over extended hours. The work is relentless. The entrepreneur almost never gets sick.

(2) A Basic Need to Control and Direct:

Entrepreneurs do not function well in traditional organizations. They do not want authority over them. They believe they can do the job better than anyone. They need maximum responsibility and accountability. It is a need for freedom to initiate the action that they see as necessary. It is not a need for power, especially not a need for power over people. They enjoy creating and executing strategies. They thrive on the process of achieving. Goals achieved are superseded by greater goals. They see the future in their life as within their control and they strive to exert their influence over future events.

(3) Self-confidence:

Entrepreneurs are ebulliently self-confident, in what they believe possible when they are in control. They tackle problems immediately and directly. As long as they are in control they are persistent in their pursuit of objectives. They are at their best in the face of adversity. Conversely, with loss of control, their involvement and constructive participation diminishes.

Entrepreneurs who are starting, building, or running their own business exude self-confidence. Curiously, a small gain in control seems to result in a large increase in self-confidence while a small loss of control seems to result in

an unduly large loss in confidence that a shared objective can be achieved. Entrepreneurs are very self-confident in what they can accomplish when doing it themselves, but they have an uncomfortable feeling working as a team member. Loss of control seems to result in frustration, and sometimes anger.

(4) Never-ending Sense of Urgency:

Entrepreneurs seem to have a never-ending sense of urgency to do something. Inactivity makes them impatient, tense, and uneasy, when in control, and especially when building their enterprises, they seem to thrive on activity and achievement.

These people usually have a high energy level. They are frequently characterized as having drive. They have an achievement orientation and a constant, uninterrupted pattern of behavior toward that achievement. They seem tireless in the pursuit of the goals they have set for themselves.

(5) Comprehensive Awareness:

Successful entrepreneurs have a general overview of the entire situation when they plan, make decisions, and work in a specific area. They have a constant awareness of the effect of a single event upon the whole undertaking. They have distant vision and simultaneously an awareness of important specific immediate detail. They are continuously aware of the possibilities and alternatives.

(6) Realistic:

Entrepreneurs accept things as they are and deal with them that way. They may or may not be idealistic, but they are seldom unrealistic. They want to know the status of things at all times. They want to measure and be measured. News is neither good nor bad so long as it is timely and factual. They seek firsthand, personal verification of data, often bypassing organizational structure. They deal with people the way they deal with functions and things. They say what they mean and assume everyone else does too. They are good to their word. Honesty and integrity flow from this characteristic.

(7) Superior Conceptual Ability:

Entrepreneurs possess that peculiar raw intellectual ability to identify relationships among functions and things quickly in the midst of complex and confused situations. They identify the problem and begin working on the solution faster than other people around them. They are not troubled by what appears to be ambiguity and uncertainty because they perceive order. They are accepted as leaders because they are usually the first to identify the problem to be overcome.

This conceptual ability applies primarily to functions and things; it does not often appear when interpersonal problems need resolution.

(8) Low Need for Status:

Successful entrepreneurs find satisfaction in symbols of success that are external to themselves. They like the business they have built to be praised but are often embarrassed by praise directed toward them as individuals. Their status needs are satisfied by achievements rather than clothes, office decor, or the automobiles they drive. Their egos do not preclude their seeking facts, data, and guidance. They don't hesitate to say, "I don't know," especially in areas outside their own expertise where they are not expected to know.

(9) Objective Approach to Interpersonal Relationship:

Entrepreneurs are more concerned with people's accomplishments than with their feelings. They generally avoid becoming interpersonally involved. They keep themselves at a distance psychologically. They don't hesitate to sever relationships to help them progress toward established goals. During the period of building the business when resources are scarce, they seldom devote time or assets to satisfying people's feelings beyond what is essential to achieving operational effectiveness and efficiency.

(10) Sufficient Emotional Stability:

Entrepreneurs have considerable self-control and are able to handle the anxieties and pressures of the business and other problems in life. In stress situations having to do with

functions and things, entrepreneurs are cool and effective. They are challenged rather than discouraged by setbacks or failure, but this does not extend to problems involving people's feelings. Entrepreneurs tend to handle these problems by suggesting an action plan. This is seldom perceived as addressing the "feeling" problem.

(11) Attraction to Challenges, Not Risks:

Entrepreneurs are neither high nor low risk takers. They are highly motivated by a challenge in which they perceive the odds to be interesting, but not overwhelming. They seldom act until they have assessed the risk. In one sense, they may appear to take great risk. They play for high stakes, all personal assets are at stake until the business becomes a very substantial enterprise.

The characteristics found to be dominant in entrepreneurs enables them to succeed at a "risk level" at which others would fail. They are realistic, persistent, make sense out of complexity and they are confident in the face of adversity. These are traits which carry them on to success where others would be confused and disillusioned, and would give up and quit.

When Churchill (1982) examined these eleven characteristics of the entrepreneur, he discovered that at least five of the characteristics that make the entrepreneur successful in the

beginning stages of the business venture become detrimental when the company achieves success and begins to grow. Self-confidence, a sense of urgency, superior conceptual ability, a low need for status, and an objective approach to interpersonal relations are all important early in the business life but may be detrimental as the business succeeds and grows.

Welsh & White (1983) added: The characteristics cannot be viewed superficially. Although most of us will observe these characteristics in the outstanding entrepreneur, their existence and extent in any individual cannot be determined by a layperson's examination. To identify the interaction of the characteristics and the extent to which they lie latent at any moment requires an examination in depth by a trained psychologist with experience and knowledge of these characteristics. Such an examination would normally take a half day and cost about as much as one good ready-made suit of clothing. The entrepreneur will probably find the experience worth an entire wardrobe.

2.8.3 PAST EXPERIENCE EFFECTS

The decision to become an entrepreneur must be influenced by events that have preceeded the decision.

2.8.3.1 Dissatisfaction with Previous Work Experience:

The research concerning previous job dissatisfaction implies several things. First, most entrepreneurs begin by working for someone else and only leave this situation when their needs are not satisfied.

Dissatisfaction is a major source of push from one's job. An extreme degree of dissatisfaction with the previous job seems not only to push the entrepreneur from his previous place of employment but also to convince him that no other place of employment may be a satisfactory alternative.

Brockhaus (1980) studied previous job satisfaction on the part of the entrepreneur. He used the Job Description Index (JDI). The entrepreneur was found significantly less satisfied except for pay. This trend is expected to grow as more adults reach the ages of thirty-five to fifty, the prime time for mid-career change.

2.8.3.2 Role Models:

Family and friends also seem to serve as role models for aspiring entrepreneurs. Litvak and Maule (1971) found successful high-technology entrepreneurs had fathers who were owner/managers. Brockhaus and Nord (1979) asked managers and new entrepreneurs if any close relative or friend had owned a business. They found no significant difference between the two groups.

Welsh & White (1986) consider the role model as the composite profile of entrepreneur characteristics. They consider these important role is supporting under the entrepreneur's direction.

Ronstadt (1983) looked at people who considered starting a new venture and decided not to, in an attempt to discover the reason for their negative decision. The individuals who turned away from the entrepreneurial venture were less likely to have parents who were entrepreneurs, had fewer role models among their acquaintances, had poorer education records, and had little experience in the business under consideration.

The majority of entrepreneurs have had previous experience in their industry. Prior work experience in the particular line of business correlates positively in the success (Vesper:1980).

2.8.4 PERSONAL CHARACTERISTICS

Several studies have been conducted to try and determine the association, if any, between personal characteristics and the decision to become an entrepreneur. The main areas of consideration are age, education, and residency.

In one of the most thorough studies to date, Petrof (1981) collected information from thirty-two participants in the Entrepreneurship program at Laval University in Quebec, Canada. He conducted a discriminant analysis on twelve variables: age, years of marriage, years in the labor force, number of previous jobs, years of formal education, number of previous attempts to start a business, oldest child in the family, membership in professional and/or trade organizations, profit expectations, outside encouragement, anticipated difficulties, and evaluation of personal shortcomings. The characteristic most frequently associated with the entrepreneurial group was being the oldest child in the family. Holding a large number of previous jobs was associated with the non-entrepreneurial type.

Dunkelberg and Cooper (1982) also studied a number of personal characteristics of the entrepreneur. When they surveyed 1,805 small business owners, research findings indicated that substantial differences existed in their

background, depending upon how they became owners and their specific industry.

2.8.4.1 Education:

Hornaday and Tieken (1983) discovered that many of the successful entrepreneurs felt that, prior to the current generation of young people, special education was less important for entrepreneurs. Now, however, because of the growth of high technology and heavy competition, education was especially important.

Vesper (1982) expressed the belief that the most likely entrepreneurs to fail would be those with experience but no education. The second most likely entrepreneurs to fail would be those with education but no experience. Conversely, those entrepreneurs who had both experience and education would be associated with the most profitable business enterprises.

When comparing educational levels of entrepreneurs and managers, Brockhaus and Nord (1979) found the level of education to be significantly less for entrepreneurs than for managers. The entrepreneurs averaged 13.57 years of education while the managers averaged 15.74 years. The managers, due to their higher level of education, may have been able to obtain more satisfying jobs. If their jobs proved unacceptable, this level of education allowed them to obtain more desirable employment elsewhere. It should be

noted that the education of the entrepreneurs in this study did exceed that of the average person. This finding is consistent with previous research by Howell (1972).

While experience is perceived as the critical factor in the determination of the business effort's direction, entrepreneurs appear to benefit from both appropriate experience and education.

2.8.4.2 Entrepreneurs Age:

Different age groups were reported in different studies. One can find entrepreneurs in almost all ages, but mainly when they enter the adult world, ages 22 and above. Daniel J. Levinson (1976) stated age 22 - 28 as entering the adult world stage.

Hirsch & Others (1986) find that the majority of entrepreneurs start their first venture between the age of 35-45.

2.9 literature review summary

The entrepreneur definition was thoroughly explained. Historical development of the definition were pointed out along with selective definitions. Attempts were made to collect all related definitions for successful entrepreneurs. The author gives his view and his definition for successful entrepreneurs with emphasis on growth factor.

The theoretical background for the entrepreneurship and entrepreneurs field depends to a large degree on behavioral science. Therefore, part was devoted to traditional conception of entrepreneurs, and relevant theories were discussed..

Entrepreneurs are different. They work in different environments and different businesses. Types of entrepreneurs are a forgotten area. The author realized a lack in research studies concerning this field, which might be considered as one step before considering characteristics or profile. Probably identifying characteristics of each type may be a step forward in understanding entrepreneurship, resolve the definition dilemma and will put the research approaches on the correct way.

Entrepreneurs play an important role in the economy. Their role in economic growth, as new economic activities creators was discussed, and accordingly a question raised on the role of Bahraini entrepreneurs.

The most important literature since the 1970's were reviewed and updated. These literature reviews may be considered as historical development on the entrepreneurs and the entrepreneurship field. Concentration on the past 7 years is an indication that researchers recently realized the importance of this field.

The characteristics and profile of entrepreneurs are endless, common characteristics that have been reported by known authors, Brockhaus & Horwitz (1986), Welsh & White (1983), Mescon (1987), Sexton & Bowman (1991) and others in the field were gathered and explained.

CHAPTER - 3

ANALYSIS AND INTERPRETATION OF THE FINDINGS

3.1 METHOD:

Subject and Procedure:

Fifty one subjects were chosen and approached to answer 8 pages designed questionnaire, and requested to accept to be interviewed. Thirty responded to the questionnaire, but five of them declined to be interviewed. The selection was on the basis that they are the most successful Bahraini Entrepreneurs, some of them are super successful. They met the criteria of owning their business which had been established atleast five year and recorded business growth. The list of chosen entrepreneurs was shown to most of them and they agreed that it represented the best selection of most successful Bahraini entrepreneurs.

The questionnaire was divided into two sections, first section gathered specific information regarding entrepreneur's age, religion, education, marital status, father's occupation and questions examining the work ethic, specifically information were sought concerning average hours worked per week, vacation time taken, meaning of success and the identification of macroenvironmental concerns.

The second section included open-end questions concerning the personal history of the entrepreneur, such as experience when they started the business, business age, form of organization, financing, short and long objectives, etc.

3.2 Findings:

3.2.1 Section 1

3.2.1.1 Sample Background:

Respondents' father's primary occupation, 23 were replied businesses (general merchandise, trading and pearl merchants) Four respondent's father's primary occupation was profession. This include one foreman in oil industry, one teacher, other two were - one advocate and one carpenter. The remaining three were employees in non-business organizations.

TABLE 8

ENTREPRENEURS BUSINESS BACKGROUND

<u>Business</u>	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
Business	23	76.7
Profession	4	13.3
Others (Employees)	3	10
Total	30	100

Similar study (Lachman : 1980) that 65% of entrepreneurs father's occupation was business,

Twenty = five (77%) responded positively that their fathers owned their businesses. The remaining 5 were not, which include the 3 employees, one foreman and one teacher. This result is higher than the 17% obtained by Mescon (1987), but consistent with other studies that suggest entrepreneurs tend to have entrepreneurial fathers (Brokhaus (1982), Brokhaus & Nord (1979), Cooper & Vidler (1983), Shapero & Sokol (1982).

They describe their family's income during the period they were growing up as below:

TABLE 9
FAMILY INCOME OF ENTREPRENEURS

	Frequency of Response	
	<u>No.</u>	<u>%</u>
a) Low	5	16.7
b) Medium/Low	12	40
c) Medium	10	33.3
d) High	3	10
Total	<u>30</u>	<u>100</u>

The above table shows the average family income was medium. Islam was their primary religion (100%) they practiced while they were growing up.

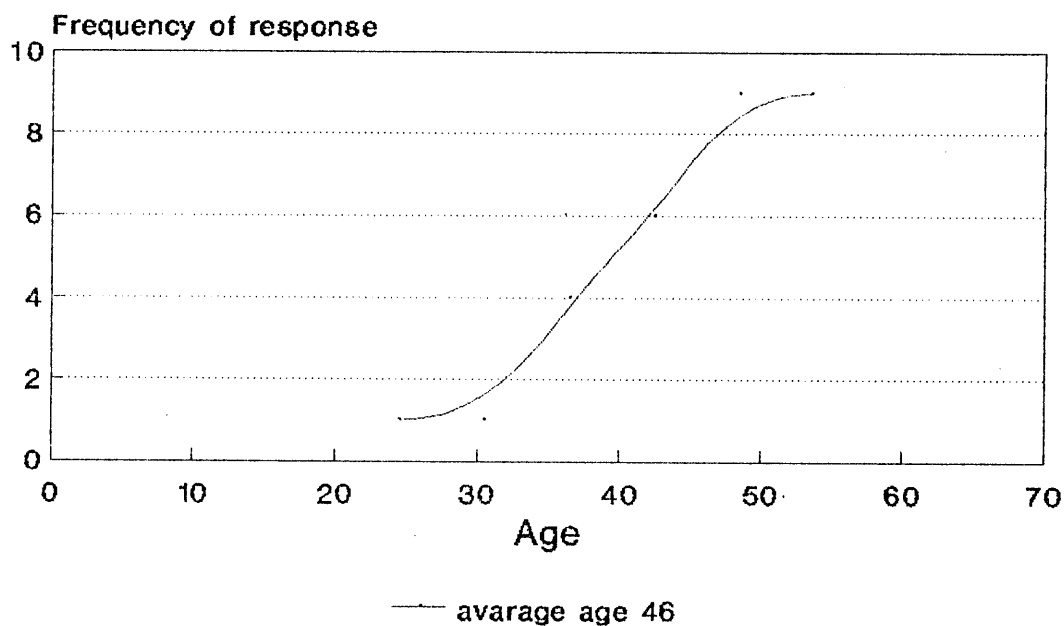
The above results represent the environment and the culture our subjects were brought up in. Bahrain is an Islamic country. Their families are generally medium income group, involved in businesses, which was mostly owned by their fathers. These entrepreneurs may be considered educated and gained some business experience as an influence of the environment they have been brought-up in.

3.2.1.2 Sample, Personal Information:

a) Current Age

Chart - 1 is a representation for the results obtained as follows (For further details please refer to Appendix A, table 1):

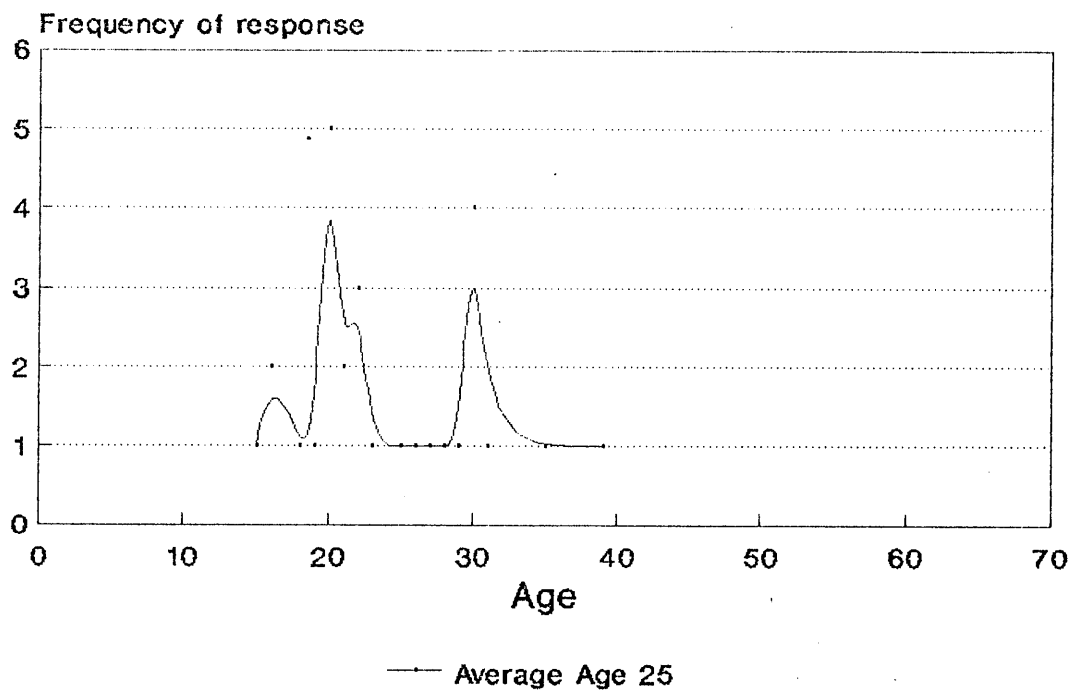
Ent. Current Age 1992



All entrepreneurs' current age is over 34 years (93%), except two (7%) who are below 34, whereas the majority (70%) are above 45, with (30%) 52 or more. The average is being 46 years old. This is consistent with other research findings (Hornaday & Aboud:1974).

- 1) The age of the respondents when they started their first businesses are shown in Chart - 2 below (For further details please refer to Appendix A, chart 2.):

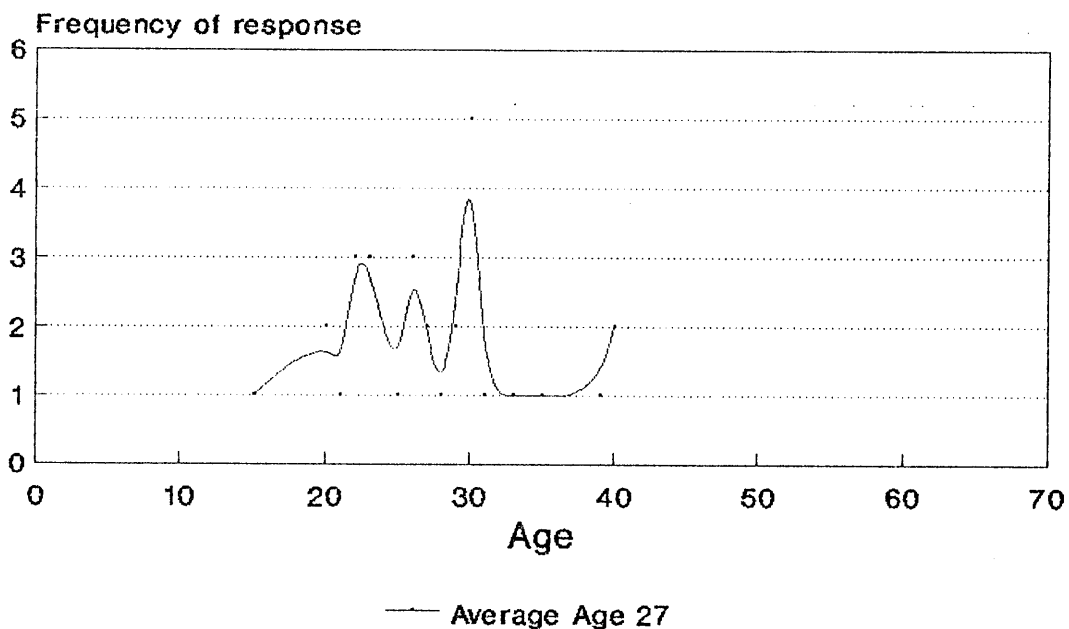
Ent. Age 1st Start



23 (80%) started their business when they were between 20 to 30 years old, 5 (16.7%) below 20 years old and only 2 (6.7%) were above 31 years old when started the business. This mean the average age is 25 years. (Mescon : 1987) obtained same result.

- c) The following chart 3 shows the age when they started their present business (For further details please refer to Appendix A, table 3):

Ent. Age When they Start Present Business



23 (77%) were between 20 and 30 years old when they started their current business with an average of 27 years old as represented in Chart - 3 above. (Mescon : 1987) indicate similar figure, 30 years.

d) Education:

The level of education of the entrepreneurs is presented in chart 4 below (for further details please refer to Appendix A, table 4):

Entrepreneurs Educational Level

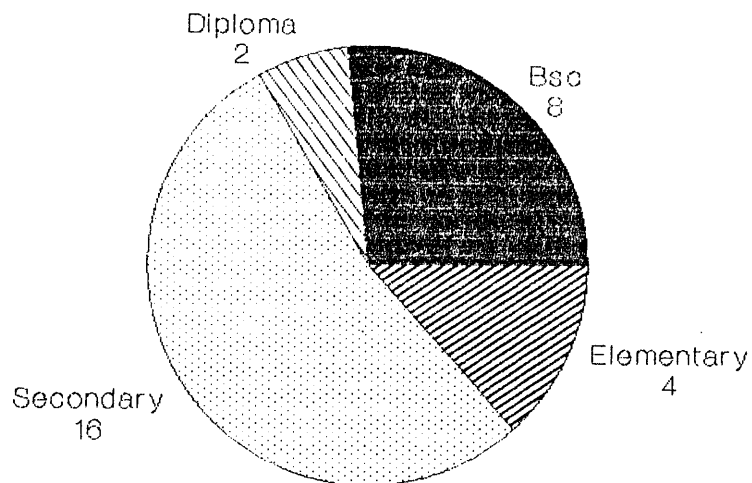


Chart 4 represents the educational profile of the entrepreneurs studied. There were 8 with college degrees, 18 completed secondary school and only 4 respondents didn't complete their secondary school level, but they did complete the elementary school level, which is 6 years of education, comparing with a total of 12 years required to complete secondary school and 16 years to reach college graduation.

Entrepreneurs who have completed the graduation were in different majors, i.e. two civil engineers, one computer engineer, one pharmaceutical science, one sociology and education, one accounting, one marketing and only one in business administration. Those 8 Degree holders represent 26.7% which is quite high in comparison to high educational level obtained for Bahraini population shown in Table 13. This reflects higher educational level among Bahraini Entrepreneurs. The two diploma holders' major was business administration and management, which is a healthy trend indicating their needs for improving their knowledge and self development even though they represent only 6.7%. Several studies indicated that entrepreneurs tend to be better educated than general population (Mescon: (1987), Lachman : (1980), Brokhaus : (1982)).

e) Marital Status:

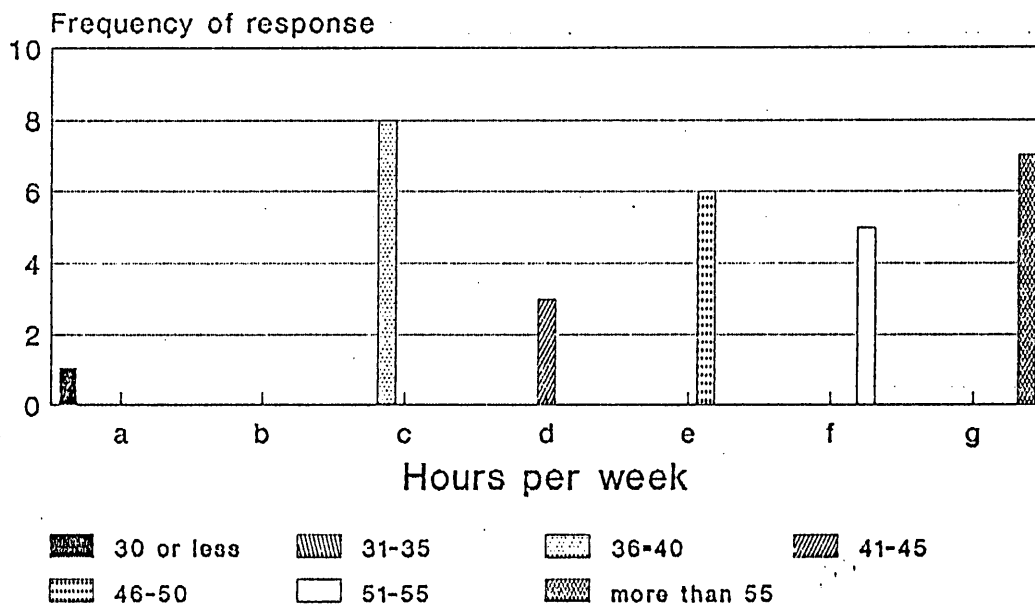
All respondents are married, most of them indicated that they have children.

3.2.3 WORK ETHICS AND PRACTICES:

a) Working Hours -

The following Table and Chart - 5 show how many hours do these entrepreneurs work (For further details please refer to Appendix A, table 5):

Working Hours Per Week



23% of the respondents work more than 55 hours per week, but in contradiction to the literatures this sample shows that there are 8 respondents out of 30, who work lower than 40 hours per week. No common reason was found for such findings except that most of them are above 50 years old and they have been in the business for more than 15 years. Probably they have, because of their old age delegated to their dependents. Generally research studies recorded that entrepreneurs tend to work for high working hours (Mescon : (1987), Hornandy & Aboud (1971)).

b) Vacation time:

The percentage of their vacation time in weeks per year is as follows:

40%	vacation for less than 3 weeks,
46.7%	vacation for at least 4 weeks,
13.3%	vacation for three to four weeks.

However, the majority, 53.3% take less than 4 weeks per year. This result is much higher than what was reported in other similar research (Mescon : 1987).

This may be explained in conjunction with other factors such as business size, years in business, delegation to others, to long business establishment .

c) What disturbs them most about business today? The following Table shows the frequency of the response:

TABLE 10
FACTORS WHICH DISTURB ENTREPRENEURS

	Frequency of Response	
	<u>No.</u>	<u>%</u>
Economic Conditions	11	36.6
Competition	7	23
Government Regulations	5	16.7
Changing consumer preferences	2	6.7
Others	5	16.7
	--	----
Total	30	100

Economical conditions and competition are the most disturbing factors the respondents face, followed by Government Regulations, the 5 other chosen factors are as follows:

1. World Affair
2. Political Condition
3. Unfair competition
4. Limited Market size
5. Limited sale

It is obvious that the above 5 items can be consolidated to political conditions, limited market size and market imperfections.

- d) Primary Funding for the business came from the following sources:

TABLE 11

PRIMARY FUNDING OF ENTREPRENEURS

	Frequency of Response	
	No.	%
Family	12	40
Friends	1	3.3
Personal Savings	10	33.3
Bank	7	23.4
	--	-----
Total	30	100

40% utilize their families' help and 33.3% used their personal savings to fund their business creation, 23.3% get bank loan and only 1 respondent (3.3%) from friends. It was also noticed that most entrepreneurs who chose family or personal savings highlighted banks as part of the funding.. 6 out of 12 who depended on family, used bank funding in addition, and 6 out of 10 who used personal savings also used bank funding. It is obvious that primary funding mostly comes from families, personal savings and banks and or a combination of the first two with funding from banks.

e) Business objectives:

In response to the question, "Have you established specific objectives (written and communicated to

employees) for your firm?", 19 respondents said yes, 11 replied negatively saying that they didn't have specific objectives written and communicated to employees. However, 7 out of the 11 respondents stated that they have unwritten objectives mainly as follows:

- 1) Business expansion in related product and in Gulf area
- 2) Customer satisfaction
- 3) Sales Target
- 4) Achieve specific level of income (ROI, Profit Margin etc.)
- 5) Loss or win (survival)

Each of the 19 respondents marked one or more of the following given objectives (Total 40 choice)

TABLE 12
OBJECTIVES OF BUSINESS

	Frequency of Response	
	No.	%
a) Sales Targets	17	42.5
b) Number of employees	5	12.5
c) Return of investment	11	27.5
d) Achieve a specific level of income	10	25
e) Others	7	17.5
	--	----
Total	40	100

42% selected sales target as first objective followed by return of investment 27.5%, and to achieve a specific level of income 25%. Other objectives chosen by respondents are:

- Business growth relative to growth in the region
- To maintain business name (reputation, image)
- Customer satisfaction
- To increase profit and cost reduction
- Expansion

Following is the summary to the above:

TABLE 13
RESPONSE OF OBJECTIVES IN BUSINESS

	Frequency of Response	
	<u>No.</u>	<u>%</u>
With objectives	19	63.3%
Unwritten objectives	7	23.3
No Objectives	4	13.4
	--	----
Total	30	100

f) Participation in company goals formulation:

23 (76.7%) responded positively when they were asked "Do other participate in the formulation of company goals?", 6 (20%) answered No and one didn't respond to this question. Those who answered "YES" were requested to state whom they participates with them in the formulation of the company goals and to provide a brief job description or identification for their relationship. The result shows that for nearly half (48%) of the sample had an outside participation (10 managers and one partner). The remaining are close relatives (12 brothers, 5 sons and 2 wives).

Based on the above the following question may be raised:
"Why didn't the majority depend on their sons?" The answer lies in two factors as some of the respondents explain as "sons are immature, still in development stage or in college". Interestingly some of them directed their children to obtain college degree from some of the developed countries in certain discipline, mainly marketing, accounting and finance. These are two areas which they realize they need in order to expand their sales (Marketing) and to control their financial aspects.

g) Budgeting:

29 (97%) responded yes when they were asked "Do you budget operation?", but they differ when they have been asked on the scope of their budgeting as follows:

TABLE 14
BUDGETING OF ENTREPRENEURS

	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
(a) budget 1 month in advance	2	6.7%
(b) budget 2 months in advance	2	6.7%
(c) budget 6 months in advance	1	3.3%
(d) budget 9 months in advance	0	0
(e) budget 1 year in advance	19	65.5%
(f) budget more than 1 year advance	3	10.3%
(g) Don't budget	3	10.3%
	---	----
	30	100

The majority, 19 (65.5%) respondents reported that they budget 12 months in advance, while three budget more than one year in advance to cater for capital investment. Also refer to (Mescon : 1987) for similar results.

h) Business Success:

Respondents were asked "Success in business is measured best by: (please rank your top five and '1' equaling choice you rank highest)". The results were manipulated and presented in Appendix A, table 6. The five ranks under 1st choice, 2nd choice ... etc. are:

This may be summarized as follows:

TABLE 15
MEASURES OF SUCCESS REVEALED

<u>Top highest 5 choices</u>	<u>Frequency of Response</u>	
	<u>No</u>	<u>%</u>
1) Market Share	11	36.6
2) Sales	6	20
3) Customer Services	5	16.7
4) Recognition	2	6.7
5) Personal happiness	2	6.7
Others	4	13.4
	---	---
Total	30	100

The above Table shows the rank number 1 in each choice

- 1) Market Share
- 2) Customer Service
- 3) Sales
- 4) Recognition
- 5) Personal happiness

It is evident from the above Table that Market share, Sales, Customer Services, Recognition and Personal happiness are consequently prevailing measures for business success.

i) Organizational structure:

Most of the respondents 27 (90%) are having an organizational structure.

j) How long did they take to create their business?

(1) How long a period was it from the time you first considered the idea of owning your own firm to the actual start-up decision?

The response to the above question is as follows:

TABLE 16

TIME TAKEN TO CREATE THE BUSINESS

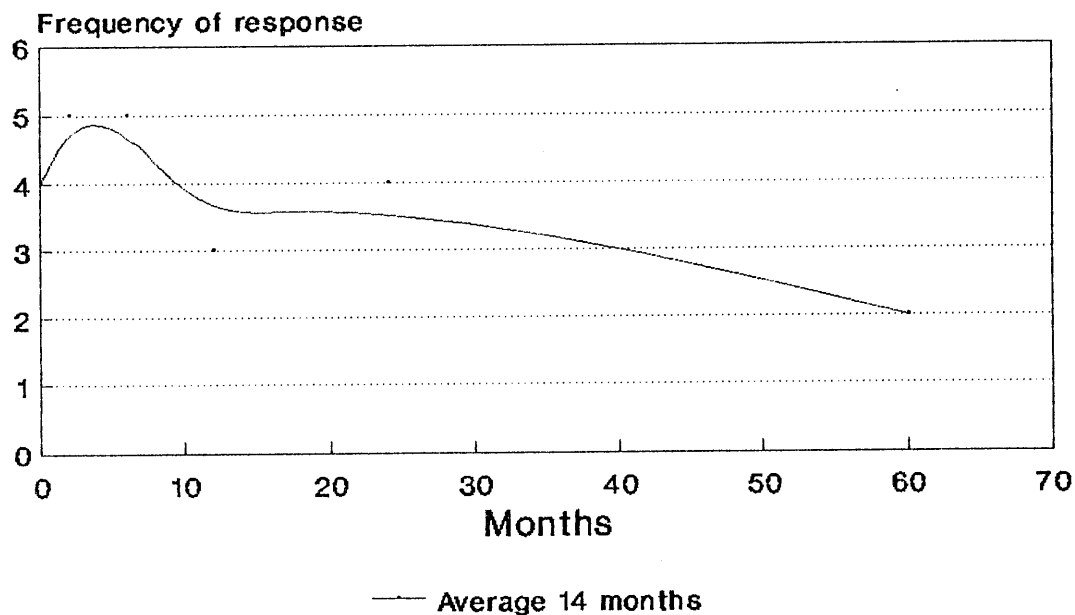
	<u>Frequency of</u>	
	<u>Response</u>	
	<u>No</u>	<u>%</u>
1 to 2 years	12	40
Less than one year	7	23
3 to 5 years	3	10
More than 5 years	1	3.3
No Response	7	23
	--	----
Total	30	100%

The average time taken after considering the idea of owning their businesses to actual start up was approximately two years (1.67 years).

Mescon, (1987) indicated 5-8 years in similar study.

- (2) "How long a period was it from the time you made the start-up decision to actually forming your business?"
- The response to this question is as follows (For further details please refer to Appendix A, table 7):

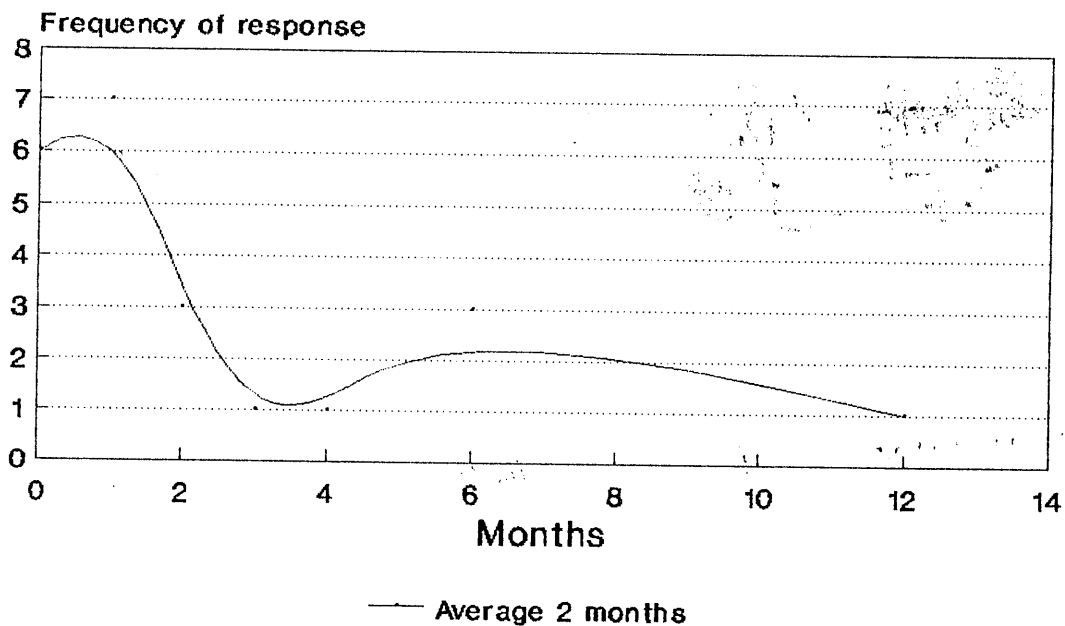
Time Required To Form A Business



The above chart shows that the average time taken after the start-up decision to actually forming their business was 1.2 years (14 months). Mescon (1987) indicated 3 years in similar study.

(3) "How long a period was it from the time you formed your business to your first sale?" The response to this question is as follows. (For further details please refer to Appendix A, table 8)

Time To Sale From Forming Business



Only a fifth (20%) of the respondents described the period between forming their business and first sales as "immediately"; 7 (23%) in one month; 3 (10%) in 2 months, but generally 43% in one month or less with an **average** period of 2 months. Immediate sale was also reported (Mescon : 1987).

3.2.2 SECTION 2

3.2.2.1 THE FIRST VENTURE: SUCCESS OR FAILURE

a) First venture:

"Now, would you please tell me a little bit about your personal business history. Was your first venture a success? If yes, why? If no, why not?" The response to these questions were as follows:

- 1) 24 (80%) stated that their first venture was a success (13.4%) stated it was a failure only, 2 didn't respond
- 2) Their businesses cover wide range, from general merchandise to manufacturing. (See Appendix D)
- 3) Why the 24 (80%) responded first venture was a success?
The following categorize their responses:

TABLE 17

REASONS FOR SUCCESSFUL FIRST VENTURE

	<u>Frequency of Response</u>	
	No.	%
a) Know How	2	7.7
b) New idea/product	3	11.5
c) Competition (low or No)	3	11.5
d) Customer Satisfaction	2	7.7
e) Product Quality	2	7.7
f) High Demand	2	7.7
g) Entrepreneur Characteristic	9	34.6
- Hard Work	4	
- Personal Interest	1	
- Personal Efforts	1	
- Devotion to work	1	
- Perseverance	1	
- Experience	1	
h) Family Partnership	1	3.8
i) Specialization - Market niche	1	3.8
j) Good distribution channel	1	3.8
	--	---
TOTAL	26	100

"Why first venture was a failure?" 4 (13.4%)
 respondents' first venture was a failure. The
 following reasons were given by them:

(a) Low sale	1
(b) Lack of experience	2
(c) Competition	1
(d) Dissatisfaction with the type of business	1

Entrepreneurial Characteristics (hard work) are considered according to this result the major factor for business success.

b) Motivation for Entrepreneurship

(1) Role Model - Father was as a role model for 4 cases.

Fathers' encouragement, support and guidance played a major role in motivating those personnel to become entrepreneur as they stated. Perhaps one of the most important factors influencing entrepreneurs in their career choice is the role model (Hisrich & Peter:1989, Brochkaus & Horwitz:1986, Dubini:1989 and others).

(2) Freedom is a big motivator for 5 cases. They want to be free, no boss, they want to be the boss, and to work any time they want, (Hisrich & Peter:1989).

Typical replies are:

- "relatively I am more free and have more time to spend with my children, in my hobbies and also to participate in voluntary works to serve my society".
- "Freedom. The feeling that you are free. No boss"
- "I don't like to be an employee, I like to go to work when I feel and make my own decision."
- "Freedom to take decision."

(3) Challenging, Ambitions and Achievement

They have the ambitions. They want to face the challenge and they want to achieve something.

(4) To establish own business and success of first business are also considered a motivator.

(5) Experience - because of 3 respondents' previous experience they felt that they had been prepared and ready to start a business. They considered this as a motivator, typical answers are:

- "When I finished secondary school, I worked in a steel manufacturing plant in Saudi Arabia, from then onwards I felt the need to get into the business of providing items for building industry."
- "background in Engineering and being a member of a successful business family"
- "Because of previous marketing experience, specially about the local market demands."

(6) To become wealthy and rich - 5 respondents considered owning a business as the way to personal wealth, Hirsrich & Peter (1989) considered money as the second motivating factor for starting a business, typical answers:

- to help low family or father income 2
- to improve the financial positions 2
- to be rich and share benefit 1
- to better future

- (7) Self employment - Stated by one respondent, reputation and recognition. By two, these also mentioned as motivators.

One question posed to the entrepreneur read "Is your situation special or could others achieve the same success?". 25 (88.3%) responded negatively. They don't think that their situation was special, but 5 (16.7%) consider that their situation was special. 27 (90%) stated that others can achieve the same success. Five stated that their situation was special, 3 out of these five thinks that others can not achieve exactly the same, due to certain factors, such as, timing (being in the correct place and at the correct time), low competition, needs for a lot of efforts and being a son of an entrepreneur. One stated that only under similar condition others can achieve the same success, and one stated as follows: "One side it is special, on the other hand it is easy for those who wishes to devote their time and money to this purpose. For every success there should be a hardship".

The 27 entrepreneurs who stated that their situation was not special and can be achieved by others, commented that some factors must exist, such as (1) under similar condition others can achieve the same success, (2) depends on individuals efforts and hard work, (3) time factor, (4) strength and good health, and (5) ability to take risk.

A four part question put to them read "Tell me a little about the primary business operation? When did it start? What were the major obstacles you confronted? Why has it been successful? "

- a) Primary business operation vary widely and cover wide range of business. (Refer to Appendix D).
- b) When did the business start?

TABLE 18

YEAR OF STARTING THE BUSINESS

<u>Years</u>	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
Before 1955 (More than 37 years ago)	8	26.7
1955 - 1965 (37 to 27 years ago)	3	10
1966 - 1975 (26 to 17 years ago)	10	33.3
1976 - 1985 (16 to 7 years ago)	7	23
No response	2	7
Total	30	100

All respondents are well established and have been in the business for more than 7 years. Being in a business for more than five years is a condition for an entrepreneur to be a successful (Hornandy & Aboud : 1971).

- c) Major obstacles they confronted:

- 12 (40%) complained of the difficulties in obtaining funds and in financing capital requirements (cash flow).

- They later explained as high capital required, old equipment to be replaced, loss of capital in fire,
- 5 (16.7%) respondents stated that competition was the major obstacle they faced,
 - 3 (10%) were faced with lack of experience and know-how,
 - 2 (6.7%) stated that low and seasonal demands were their major obstacle, and
 - 2 (6.7%) stated lack of skilled manpower.

Other problem areas stated by respondents included different obstacles such as, lack of marketing and distribution, lack of government support, economic conditions, small market size, clients were not paying on time. Hoy & Vaugh (1980) illustrated a variety of obstacles faced rural entrepreneurs, mainly, marketing related problem, lack of administrative expertise and financial problems.

d) Why has their business has been successful?

26 entrepreneurs gave more than one reason while 4 did not respond to this part. Reasons given are as follows:

TABLE 19
REASONS FOR BUSINESS SUCCESS

<u>Reason</u>	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
Good services provided	5	12
Product is highly demanded	4	9.5
Hard work	4	9.5
Wide range of product (diversification)	3	7.1
Product quality	3	7.1
Low competition faced	2	4.8
Good management/manpower	2	4.8
New product	2	4.8
Low or absence of government regulation	2	4.8
Honesty	1	2.38
Proper timing	1	2.38
Hot weather	1	2.38
Market niche	1	2.38
Experience	1	2.38
New equipment	1	2.38
Determination and good judgement	1	2.38
	--	-----
Total	42	100%

They may be grouped and ranked as follows:

- 1) Product related factors (quality, new product,...)
- 2) Entrepreneur characteristics
- 3) Good services (customer orientation)

A super successful entrepreneur (Mr. Y. K. Almoayyed), stated in "The Will To Succeed" page 79 - 80 "When we consider how much the company has developed the last 20 years, we see that the reasons for its success are rooted in a number of important principles which have regulated the operation of our businesses:

- * Respect for the customer and honest dealing,
- * Achieving a large market share for our goods by aiming for modest profits,
- * Conducting full and detailed studies before embarking on new projects,
- * Provision for spare parts ... the best quality of services,
- * We constantly monitor employees personal and financial, circumstances. We know that respecting employees and encouraging morale by means of material incentives is important,
- * Another important principle which we have sought to apply is that of direct and easy customer access to management, Customer satisfaction is increased when complaints are dealt with directly and decisively."

The response to question "What has been the performance history of your business? Have you experienced steady growth or have you had some difficult periods?" is as follows:

- 19 (63.3%) experienced steady growth, while 11 (36.7%) experienced some kind of growth fluctuation, accordingly one or more difficult periods were experienced, mainly:
 - (a) economical - 1979-80 recession
 - (b) political - Gulf wars.

As their business expanded, entrepreneurs required additional funds. They were asked, "What was and/or is the source of this funding?". Their results are as follows:

TABLE 20

SOURCES TO EXPAND THE BUSINESS

<u>Sources</u>	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
Purely from Bank	8	26.7
Bank & Saving (retained earning)	18	60
From Friends	1	3.3
Others:	3	10
- Trade Financing 1		
- Sale of Property 1		
- From Customers 1		
	—	—
Total	30	100%

The major funding combination of source is from Bank and personal sources (retained earning) this is consistent with other research (Mescon : 1987). The proportion varies, but usually the percentage from saving is higher and doesn't exceed 50 : 50 as reported by more than one entrepreneurs.

They were asked to outline some of the unique problems, growing businesses experience and to explain how they handle them. Their responses are as follows:

1) Financial:

One third of the respondents were faced with some kind of financial problem. Lack of fund, capital, cash flow, and limited access to loan liabilities, a collateral loan, growing receivables and long time to collect debts. One

respondent said that his problem is "financial, specially first started, but got help from banks by using friends' influence to guarantee my business"

2) Skilled Labour:

The second problem mentioned by six respondents was the lack of skilled labour. This is solved by recruiting skilled employees and direct involvement of whom in the business based on their experience.

3) Government regulation:

Government regulation is the third problem (4 responded). One respondent highlighted that he overcame some regulations in certain areas, but it needs hard work and effort as well as the understanding of the government, and concerned employees to special circumstances.

4) Production related problems like operational difficulties:

The need to upgrade equipment and to reduce production cost. Typical answer to solve such problem was given by one respondent as follows: "I have handled them (problems) by my experience and the past mistake I made which cost me money and time"

5) Small market:

Three respondents consider Bahrain's small market as a unique problem.

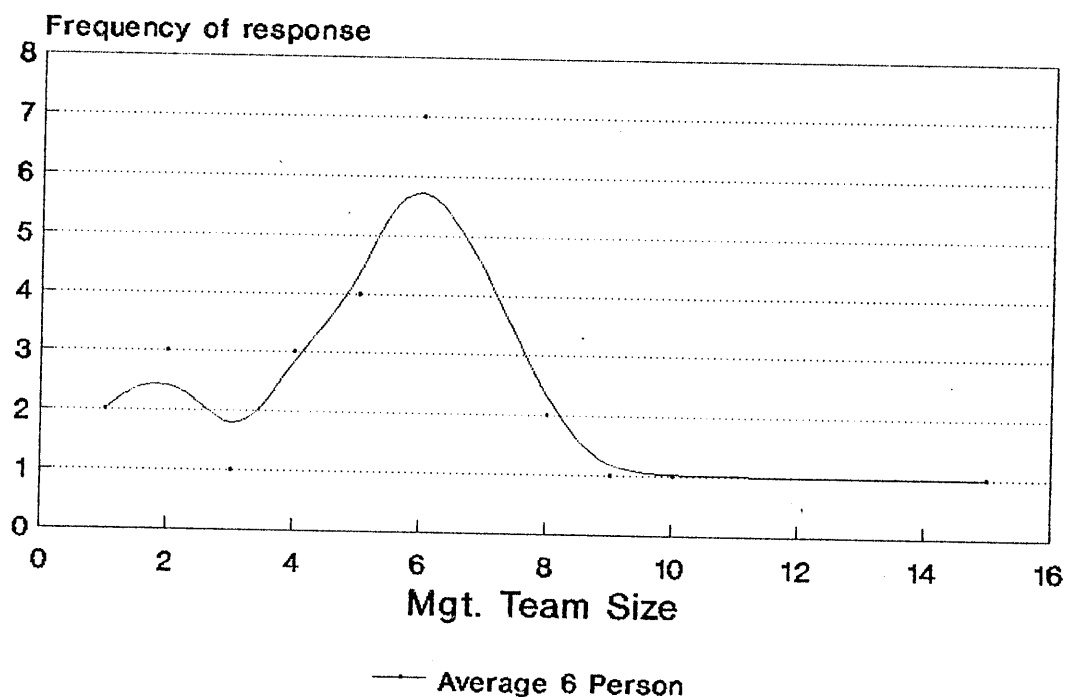
6) OTHER PROBLEMS

	Frequency of <u>Response</u>
(a) Personnel (Problem with employees)	2
(b) Bahranization, problem not solved	2
(c) Lack of proper planning	2
(d) Technology, Technological transfer and R&D	2
(e) Public relation, contact and customer satisfaction	2

As their business grow, do they chose to delegate more authority and responsibility? 27 (90%) answered "YES", 3 (10%) answered "NO", one of the respondents stated, "I tried to delegate, but failed".

- The size of their management team is presented in the following chart. (For further details please refer to Appendix A, table 9)

Size Of Managment Team



Please refer to Chart - 8 above. The average Management team is six (by trimming extreme values). One respondent stated that more authority goes to relatives, two respondents included their wives as management team members.

A question posed to entrepreneurs read "What are your short and long term goals"?. Responses to this question are as below:

1. Short Term Goals:

Their short term goal is dominated by business expansion in related and unrelated business. Other objects are (a) increase sales and profit, (b) business improvement through diversification and (c) to continue to become a leader. One respondent stated that survival is his short term goal.

2. Long Term Goals:

The long term objective is also dominated by business expansion mainly in G.C.C. Other objectives are (a) to well educate children to take care of (involvement) in the business, and (b) diversification, specialization and achieve high return on investment (R.O.I.).

Another question aimed at identifying the problems of Bahraini Entrepreneurs read, "Do you encounter specific problems? If so, could you please elaborate?" The result of asking this question is as follows:

TABLE 21

BAHRAINI ENTREPRENEURS SPECIFIC PROBLEMS

	<u>Frequency of Response</u>	
	No	%
1) Government Regulations	16	35.6
2) Lack of Managerial tools and skills. (Management level, accounting, finance, marketing management ... etc.)	7	15.6
3) Competition	5	11.1
4) Bahrain is small market	5	11.1
5) Lack of capital & finance	3	6.7
6) Lack of trust in people	2	4.4
7) No support from Chamber of Commerce	2	4.4
8) Other specific problems: - Political factors - Ability to face failure	2	4.4
9) No problems	3	6.7
	--	----
Total	45	100

It is obvious that the main specific problem is the government regulations followed by their personal difficulties in business management, to base a good judgement and decision making, in financial aspects, pricing, budgeting, planning ... etc. In similar study, economic condition was reported as a major specific problem (Mescon : 1987)

They have to know how to evaluate their current position and changes taking place to enable them to grow and to face difficulties.

Typical answers highlighting the above are:

- 1) "In my opinion, entrepreneurs in the same and similar fields now-a-days fail to comprehend the real cost of manufacturing. Therefore, they go out of business because they misquote their jobs. Some also try to grow far too fast without first establishing their stand."
- 2) "The main problems, Bahraini business people in my category, are facing: (a) Lack of capital, (b) improper marketing procedure, and (c) No proper feasibility studies and budgeting".
- 3) "If they have good capital and an excellent education plus ability to face any failure, they will survive. I know these well as I am experienced".
- (4) "Any business without good planning can not achieve any success. If you have a group of companies or have a business with a number of employees and if you do not discuss your point of view, then I don't think you can manage this in all aspects of life. One person's decision can never succeed and this is a problem with Bahraini entrepreneurs. We have to listen to all people. No matter how much you know, may be they have something new"

The following is their response when they were asked "To what do you attribute your success?":

TABLE 22

SUCCESS ATTRIBUTION OF ENTREPRENEURS

	<u>Frequency of Response</u>	
	<u>No</u>	<u>Rank</u>
1. Hard Work.	10	1
2. Interpersonal and the ability to communicate and build good relation with client, customer, banks, market (contact).	8	2
3. Good Management	5	3
4. Honesty	4	4
5. Good planning and control	4	4
6. Reputation (goodwill)	4	4
7. Experience	4	4
8. Customer Satisfaction or being customer oriented	3	5
9. The ability to spot opportunities and look for new challenges	3	5
10. Personal interest (business is hobby)	2	6
11. No procrastinating (completing work in hand 1st)	2	6
12. Others (Entrepreneur characteristics)		
- Careful work preparation	1	7
- Centralized decision making	1	7
- Speed in reaction to problem	1	7
- Self confidence	1	7
- Knowledge how to deal with change	1	7
- Risk propensity, courage to enter new business	1	7
- Commitment	1	7
- Energy	1	7
- Faith	1	7
- Patience	1	7
13. Others.		
- Correct timing	1	7
- Research & Development	1	7
- Low Competition	1	7
- On going developments in Bahrain	1	7

- Product quality	1	7
- New product	1	7
- Government support	1	7
	--	
Total	66	

No doubt that the majority of the factors highlighted above are, first, Entrepreneur Characteristics, hard work, experience, honesty are on the top of the list. However, the indication that Bahraini Entrepreneurs are high achievers and also evident, as they describe themselves as hard-workers, looking for new challenges, no procrastination. They react quickly to problems, risk propensity and commitments. Hard work, as success factors was reported by (Mescon:1987, Nelton:1986).

Secondly, it is an important finding, Bahraini entrepreneurs believe that their ability to communicate with media around them (contacts) is a major success factor, (Mescon : 1987) i.e. the stronger the tie with which those who can facilitate financing and obtaining contracts, the better the chance to succeed and grow (Aldrich & Zimmer:1986) illustrates the importance of diversity in an entrepreneurs network, example for such a tie as explained by some entrepreneurs are executive personnel in Banks and big companies and Government Agencies.

The third factor attributes to their success related to internal and external forces imposed on them.

The results of the question "What is the Long term outlook for business in Bahrain?" are as follows:

TABLE 23

LONG TERM OUTLOOK

	<u>Frequency of Response</u>	
	No	%
Optimistic views	22	73.3
Fluctuating Views	3	10
Pessimistic Views	4	3.3
No Response	1	3.3
	--	----
Total	30	100%

The majority (73) of Bahraini entrepreneurs are optimistic about the long-term outlook for business in Bahrain. For comparison, Mescon (1987) reported that 50% of entrepreneurs are optimistic). They look to the expansion trend in the industrial and services sector, such as commercial and tourism. One entrepreneur stated, "From the beginning Bahrain is a financial and commercial center whether in the region or in the world and it will continue to be a center for business. Though sometimes business will face some difficulties especially with these situations, but it will never stop."

They are opportunities seekers, (Sexton & Bowman : 1991), at all times during or after political or economic crisis. One entrepreneur answered in this way: "Business in Bahrain

will become better once the war is over. Kuwait will need reconstruction. Building materials from abroad will take time, so they will buy from the Gulf. Also, once business starts picking up again, people will want to renovate houses, shops, etc. so my long-term out look is good".

Some believe that the trend of Government regulations is becoming better and will be simplified. One super successful entrepreneur stated, "With simplifying Government Regulations, Bahrain will be opened to the world and services such as tourism, banking, travel, etc. will be the major business."

Justification for their optimism were also given such as "Bahrain is a commercial center, Bahrain will be opened to GCC and World Market, Good Geographical Location and Human Resources Development. As stated by one entrepreneur, "Bahrain is a successful place for business since it has a well established geographic location with ability to access different markets. Bahrain is also a suitable place for growth and expansion with its small population and age factor (75% of people in Bahrain are under 35). Therefore, the long-term outlook for business in Bahrain is very promising".

On the other hand, only 3 respondents relate the future outlook to cause and effect, using big "if or depends on,"

mainly, political and economical conditions. One super successful entrepreneur built two scenarios when he was asked about business future outlook in Bahrain. The first scenario was built on the fact that political stability will dominate as a result of the Gulf war and other changes in the world. Therefore, economic stability will follow and business will boom as a result.

The 2nd scenario assumed that the area might face regional political instability which will bring a disaster with it. Four (13.4%) respondents were pessimistic and their typical answers are as follows:

- (a) "After the boom and citing on the trend in economy, there will be survival of fittest",
- (b) "Very black, because oil will be depleted in future. Bahrain has a cash flow economy and economical and political instability".
- (c) "Not very bright, as the other Gulf states are initiating business in a more aggressive manner than Bahrain and the oil industry in Bahrain is coming to an end in the coming 20 years (which is revenue pumped back in Bahrain community). Iraq, Kuwait and now Bahrain and God knows who is next?."

In general, entrepreneurs show that they are optimistic and realistic in answering and justifying this question.

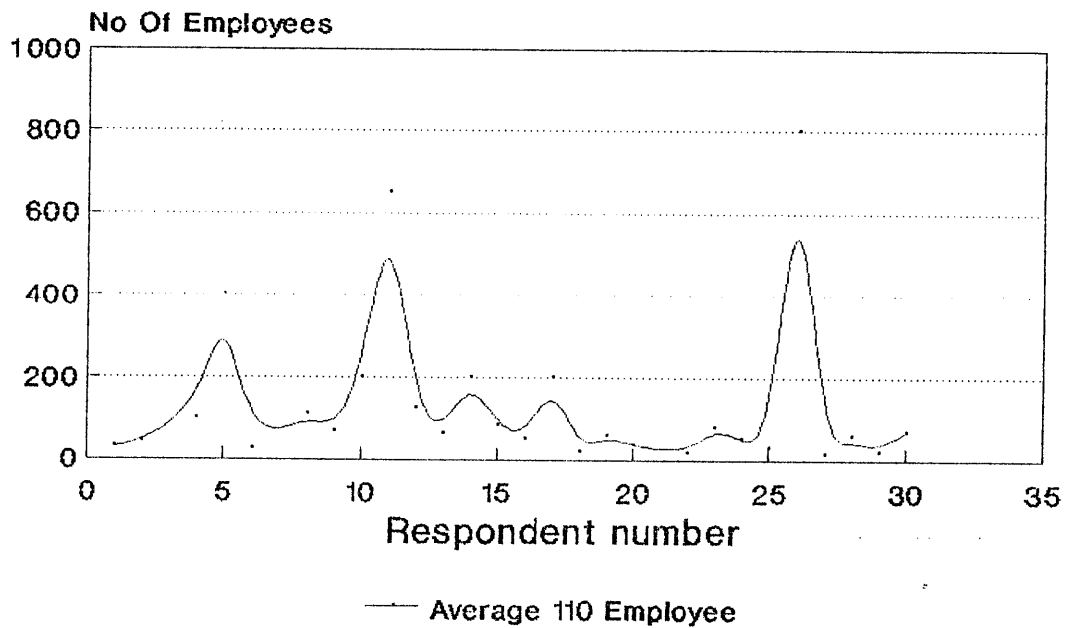
In response to a question "How many people does your business employ?", the answers show that 19 respondents employ an average of 65 employees, 6 respondents employ an average of 205 and 4 respondents employ an average of 1163, and only one stated that he got more than 8000 employees. The average is being 110 employees after trimming the extremes (over 1000 employees) as shown in chart 9 below. (For further details please refer to Appendix A, table 10).

TABLE 24

CAPACITY OF WORK FORCE

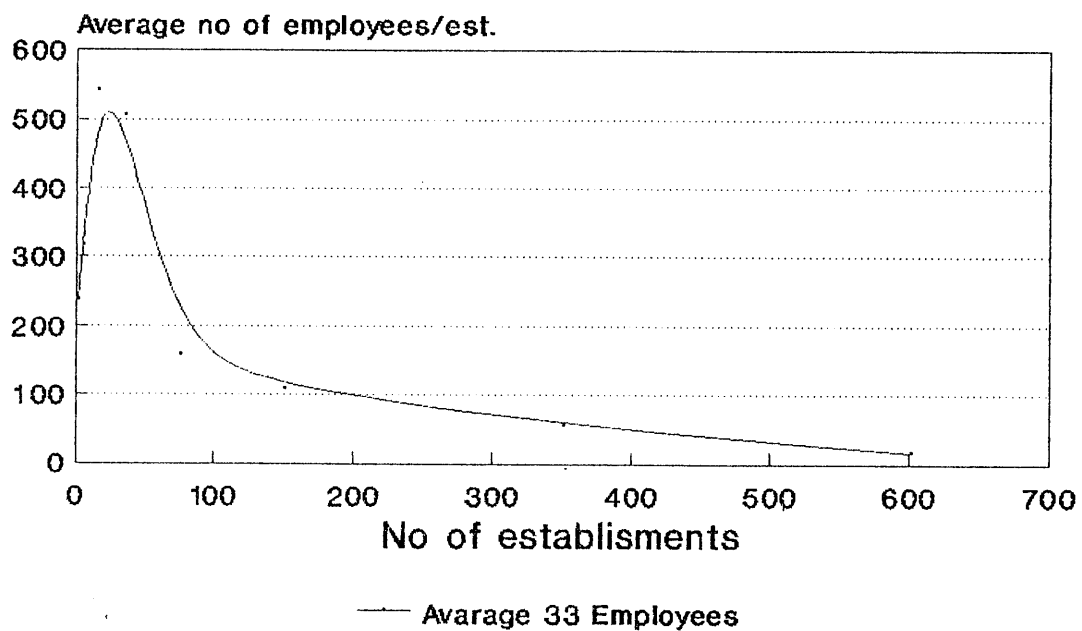
Number of Employees	Respondent		
	Number	Percent	Average
1 to 100	19	63%	65
101 to 500	6	20%	205
501 to 8000	4	13%	1163
More than 8000	1	4%	..

Number Of Employees Per Establishment



CHT-9

NO OF EMP/EST Based on 1989 census



CHT-10

The above result also compared with average number of employees per establishment obtained from Table 4 in chapter 1, where the majority of establishments are very small businesses employing less than 50 employees. Chart 10 is the graphical representation which shows that the average number of employees per establishment is 33. This is much lower than sample majority average of 65 employees. (Hornandy & Aboud:1971) reported low average of 24 and 15 employees per establishment for white and black entrepreneurs.

When they were asked about their personal strengths and personal weaknesses, different answers were obtained. Each respondent gave more than one reason.

TABLE 25

BAHRAINI ENTREPRENEURS PERSONAL STRENGTHS

<u>Strength</u>	<u>Frequency of Response</u>	<u>Strength</u>	<u>Frequency of Response</u>
Experience	5	Vision	1
Faith & fear of God	4	Understand Business	1
Fairness	4	Decision making	1
Social Relation	4	Careful study	1
Honesty	3	Self Confidence	1
Leadership	3	No stress	1
Hard Work	3	Achievement	1
Reputation	3	Toughness	1
Risk Propensity	3	Strong Finance	1
Personal Interest	1		

A typical reply which summarizes the main points highlighted above was stated by one entrepreneur as follows: "I think that foresight is my main strength. Another strength is that I believe that nothing is unachievable. I also have the ability to understand my employees' needs and motivate them

by giving them reward and bonus during the periods of high profitability".

Another entrepreneur said: "Believe in God, confidence in myself, good relations with others, good dealing with people, rational person, do accept challenge and I don't feel sad when I lose in my competition or challenge rather I look for reasons of failure and be patient".

TABLE 26

BAHRAINI ENTREPRENEURS PERSONAL WEAKNESSES

Personal Weaknesses:	Frequency of <u>Response</u>
Over involved with the business, Insufficient time & working for long hours	5
Over trusting people, friends & kindness	4
No weakness	3
Toughness & determination in Business	3
No Delegation, one man decision	2
Health, Age (old), Sickness	2
Lack of technical knowledge and right education	2
High Risk adverse	2
Hot temper	1
Shy	1
Cannot see children suffering	1
Avoiding problem with customers is costly	1
Feel sorry if a manager leaves the organization (Resignation)	1
	--
Total	28

Typical response stated by one entrepreneur is: "I believe that my weakness is that I have been over involved with the business. Perhaps, involvement is a very crucial element, but excessive involvement can have its problems too".

Another respondent stated: "Over trust in people, especially so called friends".

Seven did not respond to personal strength/weaknesses questions, some consider it a personal matter, one respondent considered it confidential information. It was also noted during interviews that some of the entrepreneurs were not aware of such thing!

A similar question was posed to the concerned about business strength and weaknesses.

TABLE 27

BUSINESS STRENGTHS

	<u>Frequency of response</u>
- Diversification	10
- Good Management, control & follow up	6
- Reputation	5
- Product Quality	5
- Experience	3
- Being customer oriented	3
- Niching	3
- Competitive pricing	2
- Updated technology	2
- Research & Development	1
- Good finance	1
- Market Leader	1
- Good distribution channel	1
- Avoid high risk business	1
	--
	44
No Response	6

TABLE - 28
BUSINESS WEAKNESSES

	Frequency of <u>response</u>
- Lack of Middle management level and technics	4
- Financial Problems	4
- Technological change and machine to replace, absence of Research & Development	3
- External forces (Political & economical)	2
- Plant size, location	2
- Lack of management, control, follow-up	1
- Limitation to expansion	1
- Concentration on one business activity	1
- Lack of certain material	1
- Honesty	1
- Imperfect relation with others	1
- Demand fluctuation	1
	--
Total	22

They were asked if they have any words of advice for students today. Their response is as below:

TABLE 29

BAHRAINI ENTREPRENEURS ADVICE TO STUDENTS TODAY

<u>1) Educational related:</u>	<u>Frequency Response</u>	<u>of Rank</u>
- Get higher/enhance academic education	2	4
- Learning is the key to success	1	5
- Take what is relevant from study	1	5
 <u>2) Personal Characteristics</u>		
- Study, Work Hard (achievement)	8	1
- Do not be lazy	3	3
- Be honest	3	3
- Be patient	3	3
- Be optimistic	2	4
- Build good relation with others	2	4
- Accept responsibility	2	4
- Take risk, avoid unchallenged risk	2	4
- Be energetic	1	5
- Be realistic	1	5
- Be fair	1	5
- Self reliance	1	5
 <u>3) Business creation:</u>		
- Practice (Work experience and be familiar with market needs, while studying)	6	2
- Have 50% of the capital required to start a business or enough resources	3	3
- Get opportunities based on studies	2	4
- Choose the type of business that you like	2	4
- Develop family business in correct way	1	5
- Do not depend completely on foreigners	1	5
- Don't make profit is your aim, grow slowly	1	5

The Rank 1 and 2 are as follows:

- Study, Work Hard (achievement)	8	1
- Practice (Work experience and be familiar with market needs, while studying)	6	2

Typical selected responses are:

- (1) "My advice for students today is to further enhance good academic facilities they receive by gaining work experience and training in different banks, companies, private businesses and other types of businesses. I further advise them to be realistic about the actual work environment with all its good and bad times".
- (2) "Be optimistic, continue to work hard. Hard work is always rewarded".
- (3) "My main advice to students of business - They, all men and women, should go beyond the text books. Also to combine, during, their college studies. Theory with practice as very much as they can".
- (4) "Where there is a will, there is a way, when you start working don't give up the first time you fail. Keep on trying and watch your finance monthly".
- (5) "Students must work hard and strive to reach where they want to, they must develop connections, if they want to be successful and work hard".
- (6) "Be specialized in certain business management field such as accounting. When you want to enter new business select that you know and love and you must work hard to obtain fund ability."

- (7) "Have a clean objective in life, create a challenge which is achieveable, work hard for it and do not give up easily be disciplined in life, honest in business and dealings and maintain high reputation and keep up hard work".
- (8) "To be patient, energetic, and avoid uncalculated risks. Above all, to be honest and keep promises. Business is a practice and not theories".
- (9) "Start with employment to get experience and to accept any job related to your knowledge and qualification and be patient".
- (10) "To study harder and learn English language and go for a higher education due to the fact that the World has changed and no one can make a proper living without education".

Thus it appears that their advice concentrated in three major areas: The first one is, student must realize that learning is the key to success. They have to get proper education and must utilize what is relevant to business.

Second, student should have entrepreneur characteristics, study and work hard, be optimistic, realistic, patient, honest, fair, not to be lazy, accept responsibilities, take risks and students should have the ability to communicate and build a good relationship with others.

Third, While studying they have to be familiar with the practical side of the businesses, enhance knowledge and to build experience. They have to consider that capital will be needed and they have to work hard to establish required fund. At least they should have on hand 50% or they have to develop their family businesses, if there is any. They have to take the opportunities if they sound feasible. Their aim should not be to make profit in the short-term and their business should grow slowly.

In response to the question "Is there anything else you would like to add ?" One said: No, two respondents highlighted that private sector is in need for skilled technical and management personnel, 10 respondent highlighted the following entrepreneurial characteristics viz. seriousness, awareness, creativity and seeking opportunities, achievement and hard work, experiences, honesty. The ability to communicate and to build good relationship with others and that money is not an objective.

The following are selected typical replies:

- (1) "A company should not expand unless it has the right resources and if it can ensure full control even after expansion, otherwise it will risk the loss of everything".

- (2) "Be more aware about what is going in the world and always try to exploit the chances they see and make their future".
- (3) "Knowledge leads to unity, unity leads to strength, study hard and get the best from it".
- (4) "Money is not every thing in life, personal happiness and experience is important".
- (5) "Humanity is an objective, money is not everything".
- 6) "Students should choose industrial and technical study, this is what we need rather than concentration on theories".
- 7) "We especially in the manufacturing industry, need management talents who can produce results. People who are resourceful who can apply effectively management techniques to actual situations and get the desired results".
- 8) "Anybody who wants to start a new company, need good back up; they should start strong".

Two respondent said " thank you."

3.3 Bahraini Entrepreneurs Common Characteristics.

All responses and analysis which contained or highlighted Entrepreneurial characteristics are consolidated to obtain the common successful Bahraini entrepreneurs characteristics as follows: where,

- a - Reason for first venture success.
- b - What motivate them to become entrepreneurs.
- c - Reason for primary business success.
- d - Reason for personal success.
- e - Personal strength/weakness.
- f - Advise they gave to students.

TABLE 30
CHARACTERISTICS OF SUCCESSFUL BAHRAINI ENTREPRENEURS

Frequency of response.

No	Characteristics	a	b	c	d	e	f	Total	Rank
1	Hard work	4	-	4	10	3	8	29	1
2	Optimistic				22		2	24	2
3	Experience	1	3	1	4	5	6	20	3
4	Contact				5	4	2	14	4
5	Honesty			1	4	3	3	11	5
6	Reputation		2		4	3		9	6
7	Risk propensity				1	3	3	7	7
8	Vision & ability to spot opportunity				3	1	2	6	8
9	Freedom		5					5	9
10	Faith				1	4		5	9
11	Fairness					4	1	5	9
12	Monetary independance		6					6	8
13	Personal interest in business	1			2	1		4	10
14	Role model		4					4	10
15	Leadership					3		3	11
16	Achievement and challenge		1			1		2	12
17	No procrastinating				2			2	12
18	Self confidence					1	2	3	11
19	Energetic				1		1	2	12
20	Responsible						2	2	12

Rank - 13 scored only one for the following characteristics:
 Deterministic, Commitment, Patience, Independence, Devotion
 to work, Perseverance, Fast reaction to problems.

Based on previous literature review and proceeded analysis
 and discussion for the characteristics contained in the above
 table, the following may be concluded:

Need for Achievement

Bahraini entrepreneurs are high achievers, based on the above mainly combination of the following, risk propensity, independence, interest in business, challenge, no procrastinating and hard work (McClelland:1969).

Risk Taking propensity

Bahraini Entrepreneurs show risk taking propensity, which score the seventh rank (Hull, Bosley and Udell (1980), Hornaday & Aboud (1971), Hornaday & Bunker (1970) and others.

CHAPTER - 4

FINDING SUMMARY AND FURTHER ANALYSIS

FOR SELECTED DATA

4.1 FINDING SUMMARY

Successful Bahraini Entrepreneur is at least Twenty-five years old. Most of Bahraini Entrepreneurs' age is above Thirty-four years with average age of 46. The trend shows an increasing number of entrepreneurs with increasing age.

The average age of the respondents when they started their first own business and current business they are involved in are twenty-five and twenty seven years old, respectively.

The primary religion, the respondent practiced while grown up was Islam and all are currently Muslims. All respondents are currently married.

Eighty-three percent of the respondent stated that their fathers had owned their business, seventy-seven percent responded that Business was their father's primary occupation.

Twenty-eight Entrepreneurs stated that city was their principal place of residence while only two grew up in village.

Their family income while growing up was around medium, only five respondents reported low family income. Eight respondents were college graduates, two obtained diploma and sixteen respondents had completed their secondary school. The sample population represents a highly educated group in comparison to the educational level obtained by Bahraini population. On the other hand it represents eighty-seven percent who completed twelve years of education or more. Business was the college degree major for two college graduates and the two diploma holders.

Forty percent of the respondents work more than fifty hours a week, twenty percent work forty-six to fifty hours per week. Interestingly nearly one third (27%) work only thirty-six to forty hours per week, entrepreneurs old age and being for long time in the business remain the most reasonable explanation.

Similar study (Mescon:1987) indicates that seven out of twelve respondent work for fifty-five hours or more. Forty percent take less than three weeks vacation and forty percent take four weeks or more, for reason similar to the above. This result is much higher than one week reported in previous research (Mescon:1987).

Respondents reported that economic condition disturbs the Bahraini entrepreneurs most in their business. Other major factors are competition and government regulations.

The primary funding for their business creation, mainly came from their family and personal savings. Seven respondents obtained financing through banks.

Nineteen respondents (63%) stated that they established written and communicated objectives for their firms, seven respondents stated that they have established objectives in writing but four respondents told that they have no objectives. Forty-three percent of the respondents reported that sales dominate their objectives, followed by twenty-eight percent, who selected R.O.I and twenty-five percent, who worked to achieve a specific level of income.

Twenty-three entrepreneurs (77%) reported that others also participated in company goal formation. These include mainly relatives and managers (ten managers, twelve brothers, five sons, two wives and one partner).

Overall nearly half (48%) of the sample had an outside participation in the formation of company goals.

Twenty-nine entrepreneurs budget their operation and seventy-six percent budget for one year in advance. Twenty-seven respondents are having organizational structure.

Thirty-seven percent of the respondents selected market share as the most important measure of success, while twenty percent said company sales was the important measure for success.

The findings indicated that Bahraini entrepreneurs took an average of two years from first they consider the idea of owning their own business to actual start-up decision, and it took them an average of fourteen months (1.2 years) from the time they made the start up decision to actually forming their business, and it took them an average of only two months to make their first sale once their business is formed. Fascinatingly, twenty percent said that they made their first sale immediately after their business was formed.

The sample covered entrepreneurs who owned and operated in different types of business. Eighty percent stated that their first venture was a success. Different entrepreneurial characteristics were considered the major factors for business success.

Freedom and monetary incentives are apparently the important motivators. One-sixth of the respondents want to be free and some wants to be rich and wealthy. Interestingly, four respondents said that their father's (role model) played a major role in motivating them to become entrepreneurs.

Ninety percent of respondents felt that others could achieve the same success and only five respondents felt that their situation was special.

Their primary business operation varies widely and covers a wide range of business. All respondents are well established and have been in the primary business for more than seven years. Difficulty in obtaining funds was the main obstacle they confronted. Thirty-one percent of the respondents related their primary business success to product related factor such as, new product, quality, etc. while fifteen percent related primary business success to different entrepreneurial characteristics.

Nineteen respondents have a business performance history that has experienced steady growth, while eleven respondents experienced growth fluctuations, where one or more difficult periods were experienced mainly during 1979-1980 economical recession and Gulf Wars (Iran & Iraq).

As their businesses grow and expand, additional financing is required. Findings reveal that sixty percent comes from a combination of saving (Retained earning) and bank loan, while twenty-seven percent of respondents depended purely on Banks for meeting their additional financial requirements.

Growing businesses usually experiences unique problems. One third of Bahraini respondents faced some kind of financial problems, lack of fund, capital, cash flow and limited access to loan liabilities while six respondents were faced with lack of skilled labour, mainly technicians and managers. Others experienced production related and personnel problems. Besides, government regulations and small market (Bahrain) size were also highlighted as unique problems faced by growing business.

Ninety percent answered "YES", their average management team is six persons. Two respondents included their wives in management team.

Their short term objective is dominated by business expansion. Other objectives are survival, increased sales and profit, and diversification. Business expansion to Gulf area was selected by most of the respondents as a long term objective. Other long term objectives include, diversification, specialization, achieve high ROI and to educate children to take over business.

The main specific problem Bahraini entrepreneur encounter are government regulations. Thirty-six percent stated this factor, while sixteen percent highlighted the difficulties in managing the business and to base a good judgement and decision making in financial aspects, pricing, budgeting, planning, etc. Other specific problems are competition and small market size.

Most of the reasons cited, which contributed to their success, were especially different entrepreneurial characteristics. One-third of those stated hard work was the major reason for their success. Other factors to which they attributed their success in order of importance were contacts, good management, honesty, good planning and control, reputation, experience, being customer-oriented, the ability to identify and capture opportunities and to face new challenge.

The Bahraini entrepreneurs are optimistic about the long term out look in Bahrain. Only four respondents are pessimistic, they commented such as "very bleek, oil will deplete in future." Three respondents related the future outlook to cause and effect using 'if' or 'depends on' mainly economical and political condition.

The sample in question employs an average of 110 employees per establishment. However, the average number of employees for nineteen out of thirty businesses are sixty-five employees.

As regards their personal strengths, they mentioned, experience, faith of God, fairness, social relations and contacts, honesty, leadership and hardwork.

Their main personal weaknesses are over-involvement with the business, over trust in people, toughness and determination, centralized decision-making and concern for health.

As regards their business strengths, they identified diversification, good management control and follow up, reputation, product quality, experience and being customer oriented.

As business weakness they mentioned lack of competent middle management people, technicians and financial problems. Other weaknesses reported were technological change and lack of R&D, political and economical condition, poor management control and follow up, as well as limits to expand.

Their responses to the question, "Do you have any words of advise for student today?" are grouped in three catagories, i.e.. educational, entrepreneurial and practical.

First, educational, student must realize that learning is the key factor to success. They have to get higher education and must utilize what is relevant to business.

Secondly, entrepreneurial characteristics. Students should study and work hard, be optimistic, be realistic, be patient, be honest, be fair, and be able to build good relationships and contact with others.

Thirdly, while students are in process of training and developing, they have to be familiar and involve with practical side of the business to enhance their knowledge and gain some experience. During the same process they have to think that capital is needed to establish a business and they have to work hard for it.

4.2 FURTHER ANALYSIS FOR SELECTED DATA

4.2.1 ENTREPRENEUR'S AGE:

Current average age of the entrepreneur is 46 years. This is consistent with other researchr findings (Hornandy and Aboud:1974). The age of entrepreneurs when they started their 1st business and current business are 25 and 27 years respectively, which is within adulthood stable period (Daniel Levinson:1978). Though age itself is no obstacle to begin an entrepreneurial career, the central tendency toward starting business in early adulthood period is evident.

4.2.2 ENTREPRENEUR'S EDUCATION:

Previous researchers indicated that entrepreneur's level of education does not exceed that of the average person (Howell : 1972). The sample in question shows slightly higher than average 12 years being the years of education required to obtain secondary school. Entrepreneurs in this sample are educated, one third obtained college degree (Diploma = High Secondary).

4.2.3 ROLE MODELS:

The role model theory of individual behavior hypothesized individuals must know and identify with one or more entrepreneur's behavior (Role Models) in order to behave in an entrepreneurial way (Doctor Huff : 1973) Fathers' role

is highly evident in this sample under investigation. Father's encouragement, support and guidance played a major role in motivating them to become entrepreneurs. Twenty-three fathers (77%) are working in business and twenty-five out of thirty fathers owns their business, which is a supporting evidence for this factor.

4.2.4 WORKING HOUR AND VACATION:

Though the sample of entrepreneurs in Bahrain is working for long hours and take short vacation, a group of the sample, in contrary to the literature, show different behavior where eight out of thirty work less than forty hours per week. These individuals are on average fifty years old and have been in the business for more than fifteen years. Fourteen out of thirty take more than four weeks vacation. Probably they have, because of their old age delegated to their dependents. Generally research studies recorded that entrepreneurs tend to work for high working hours (Mescon : (1987), Hornandy & Aboud (1971)).

4.2.5 CAPITAL AVAILABILITY:

The capital availability assumption suggest that new business formation and growth is primarily restricted by the availability of equity and debt capital. Seventy-three percent of the respondents utilized their own saving and their families' financial help for their primary funding,

while only twenty-three percent has an access to bank debt. This may explain why most entrepreneurs in this sample came from business family and medium income families. Access to traditional debt financing seems still evolved with difficulties.

4.2.6 EXPERIENCE AND KNOWLEDGE OF BUSINESS:

Although entrepreneurs sometimes create business that they know nothing about, the sample in question shows that they embark on ex-experience or experience gained during business establishment and growth. Experience ranked third in frequency. Other studies also indicated importance of experience (Liles:1974; Brauckhaus & Horwitz:1986).

4.2.7 INDIVIDUAL ENTREPRENEURIAL PERSONALITY:

As mentioned in entrepreneurial behavior (chart 2) that personality based theories of entrepreneurship posit that individual personal traits make them prove to behaving and succeeding as entrepreneurs. The result from the survey indicated that Bahraini entrepreneurs indeed revealed over twenty characteristics, the propensity toward high achievement and risk are evident, however, the top ten in frequency of occurrence ranked as follows: optimistic, hardwork, experience, high need for contact and building strong ties with both supply and demand, personnel, honesty, reputation, risk taking propensity, vision and ability to

spot and capture opportunities, freedom, the need to control, faith, fairness, monetary independence (to be rich and wealth). This findings are similar to other studies, high achievement (McClelland:1965), risk taking (Brauckhaus:1980; Hull, Bosley, Udell:1982; Liles:1974) and others (Hornaday and Aboud:1971; Brauckhaus:1981; Brauckhaus and Horwitz:1986; Mescon and Montanari:1981; Mescon:1987; Hornanday & Bunker:1970; Lachman:1980; Sexton and Bowman:1983, 1985 & 1991; Gartner:1988 & 1990; Vesper:1982; Welsh and White:1983; Hirsrich:1986; Hirsrich and Peter:1989).

4.2.8 NEW APPROACH TO ENTREPRENEURSHIP THEORIES:

As mentioned in entrepreneurship theories (Aldrich and Zimmer:1986) which proposed a perspective that views entrepreneurship as embedded in network of continuing social relation within complex networks of relationships, entrepreneurship is facilitated or constrained between aspiring entrepreneurs, resources, and opportunities. Indeed this survey shows this high need for contacts. Entrepreneurs express this as the need to build strong ties or relationship with persons on both demand and supply side. This is a prerequisite for business success in such an environment.

CHAPTER - 5

CONCLUSION, SCOPE FOR FURTHER STUDY

AND RECOMMENDATION:

5.1 CONCLUSION:

This research study provides a preliminary and basic data on successful Bahraini entrepreneurs. Their profiles appear to be as follows. They are educated men currently at age of forty-six years. They started their business when they were twenty-seven years old, primarily they founded their business with personal saving and family financial resources, while they depended on business saving and banks during business expansion and growth. Their business scope varies widely from general merchandise to manufacturing. They are formally structured, organized, they plan and budget one year in advance or more. Hard work, optimism, experience, contact and honesty are their common characteristic. Most work more than forty-five hours per week. Economic condition, competition and government regulations disturb them most in their businesses. They considered market share is the best measure for business success.

5.2 SCOPE FOR FURTHER STUDY AND RECOMMENDATION:

This research study opens the door to a very important issue that was forgotten previously. It draws a portrait profile for Bahraini Entrepreneurs, yet it is considered preliminary and it opens the door wide for further research studies on both man and woman entrepreneurs. Such recommended studies based on this research findings should include but not be limited to:

- 1) New approach to be adopted in researching entrepreneurs by firstly identifying types of entrepreneur, secondly by drawing the common characteristic and profile for each entrepreneur types and finally to identify the basic common characteristics shared between all types which should be considered the basic profile for successful entrepreneur.
- 2) The need for high contact and strong ties with people around entrepreneurs, both on supply and demand side support Aldrich and Zimmer (1984) approach to entrepreneurs as social context constrained by peoples position in social network. Such a characteristic in my opinion should be investigated further with more details, contact represent the fourth ranked Characteristic.

- 3) Women entrepreneurs are no exception. Though women work force represent only five percent of the population, women entrepreneur have much higher percentage of total entrepreneurs. They are found mostly in very small businesses. Accordingly, similar research study on Bahraini women entrepreneur is highly recommended.
- 4) The role of the wife in the entrepreneur's business work and life is evident, in supporting or actual involvement in business activities. What is the effect of a wife on his success?. This is an area that needs to be investigated.
- 5) Bahraini entrepreneurs show their willingness to improve their entrepreneurial knowledge but they always say "there is no time." On the other hand their above average education level make them a very good specimen for specially designed courses that give them the flexibility to select, attend or just read when they have the time. I strongly recommend Bahrain University to look into this subject for two crucial reasons. First, building a bridge with them will provide researchers in the University with an easy way to approach them with the aim to collect available data on entrepreneurs and entrepreneurship. Second, development of existing entrepreneurs as well as potential entrepreneur will post private sector to success which will reflect on Bahraini economy as a whole.

- 6) Government regulations and access to capital Debt represents major barriers for business creation and growth. Such problems must be solved to post the entrepreneurial spirit.

APPENDIX A

TABLE - 1

CURRENT AGE OF ENTREPRENEURS

Current Age	Frequency of Response	
	No.	%
(a) 21 or less	0	0
(b) 22 to 27	1	3.3
(c) 28 to 33	1	3.3
(d) 34 to 39	4	13.4
(e) 40 to 45	6	20
(f) 46 to 51	9	30
(g) 52 or older	9	30
Total	30	100

TABLE - 2

ENTREPRENEUR'S AGE WHEN STARTING BUSINESS

Age	Frequency of Response	
	No	%
Below 20	5	16.7
21 to 24	12	40
25 to 30	11	36.7
31 to 35	1	3.3
36 to 40	1	3.3
Total	30	100

TABLE - 3

ENTREPRENEUR AGE WHEN THEY START PRESENT BUSINESS

<u>Age</u>	<u>Frequency of Response</u>	
	<u>No</u>	<u>%</u>
Below 20	1	3.3
21 to 24	9	30
25 to 30	14	46.7
31 to 35	3	10
36 to 40	3	10
More than 40	0	0
Total	30	100

TABLE - 4

EDUCATIONAL LEVEL OF THE ENTREPRENEURS

<u>Education Level</u>	<u>Frequency of Response</u>	
	<u>Number</u>	<u>Percentage</u>
B.Sc.	8	26.7
Diploma	2	6.7
Secondary School	16	53.3
Elementary School	4	13.3
Illiterate	0	0
Total	30	100

TABLE - 5

ENRREPRENEURS' WORKING HOURS

<u>Hours per week</u>	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
a) 30 or less	1	3.3
b) 31 to 35	0	0
c) 36 to 40	8	26.7
d) 41 to 45	3	10
e) 46 to 50	6	20
f) 51 to 55	5	16.7
g) More than 55	7	23
Total	30	100

TABLE - 6

REASONS FOR BUSINESS SUCCESS

Choice	RANK				
	1	2	3	4	5
1st	G	E	A	D	F
2nd	A	G	D&E	B, C & F	-
3rd	E	A	C	B, D F&G	-
4th	D	B	C&F	A	-
5th	F	E&B	C	A&D	G

A - Company Sale
 C - Number of Sales Associates
 E - Customer Service

B - Personal income
 D - Recognition
 F - Personal Happiness

G - Market Share

TABLE - 7

START-UP DECISION TO ACTUAL FORMATION

	<u>Frequency of Response</u>	
	<u>No</u>	<u>%</u>
immediately	4	13.4
2 months	5	16.7
6 months	5	16.7
1 year	3	10
2 years	4	13.4
5 years	2	6.7
No response	7	23
	--	---
Total	30	100

TABLE - 8

PERIOD BETWEEN FORMATION OF BUSINESS AND FIRST SALE

	<u>Frequency of Response</u>	
	<u>No.</u>	<u>%</u>
immediately	6	20
1 month	7	23
2 months	3	10
3 - 4 months	2	6.7
6 months	3	10
1 year	1	3.3
No response	7	23
	--	---
Total	30	100

TABLE - 9

MANAGEMENT TEAM SIZE

<u>Management Team Size</u>	<u>Frequency of Response</u>	
	<u>No</u>	<u>%</u>
1	2	6
2	3	10
3	1	3.3
4	3	10
5	4	13.4
6	7	23
7	0	0
8	2	6
9	1	3.3
10	1	3.3
15	1	3.3
50	1	3.3
N/A	4	23
	--	-----
Total	30	100%

TABLE - 10

NUMBER OF EMPLOYEES PER ESTABLISHMET

<u>Number of Employees</u>	<u>Frequency of Response</u>	
	<u>No</u>	<u>%</u>
14 or less	0	0
15 to 40	8	26.7
41 to 60	5	16.7
61 to 80	4	13.3
81 to 100	1	3.3
101 to 150	3	10
151 to 250	3	10
251 to 500	1	3.3
501 to 1000	3	6.7
1001 or more	3	10
	--	-----
Total	30	100%

APPENDIX - B

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APPENDIX - D

LIST OF BAHRAINI ENTREPRENEURS APPROACHED IN THIS RESEARCH STUDY

SL NO	NAME OF ENTREPRENEUR & ESTABLISHMENT	TYPE OF BUSINESS	RESPONSE TO	
			Q	I
01	Mr. Hassan Al-Nooh A. Al-Nooh & Sons Tel. 253994	Gen. Merchant Woods, Bldg. Materials.	Yes	Yes
02	Mr. Mohd. A. Khalaifat Khalaifat Est. Tel. 731352	Commodities, Electrical	Yes	Yes
03	Mr. Ali Bin Ebrahim Ali Bin Ebrahim Group Tel.	Petroleum Products	Yes	Yes
04	Mr. Rashid A. Al-Zayani Zayani Investment Group Tel.	Portfolio of Businesses, Textile, Shoes Cars, etc.	Yes	Yes
05	Mr. Faisal Jawad Jawad Group Tel.	Food-Stuff, Super Markets, Bakeries, etc.	Yes	Yes
06	Ahmd. Jassim Shuwaiter Shuwaiter Sweets Tel.	Bahraini Sweets	Yes	Yes
07	Mr. Abdulla Ahmd. Nass A.A. Nass Group Tel.	Construction, & Relevant Industries	Yes	Yes
08	Mr. A. Bilzeek Abbas Bilzeek & Sons Tel.	Porotfolio of Industrial Business	Yes	Yes
09	Mr. Yousuf Bokhamas Bokhamas Establishment Tel.	Tools, Super Markets, Bldg. Materials, etc	Yes	Yes
10	Mrs. Reshma Ashraf Ashraf's Tel. 534439	Electronics, Cosmetics Super Markets	Yes	No

Q = QUESTIONNAIRE

I = INTERVIEW

SL NO	NAME OF ENTREPRENEUR & ESTABLISHMENT	TYPE OF BUSINESS	RESPONSE TO	
			Q	I
11	Mr. Moh'd. Jalal Mohammad Jalal & Sons Tel.	Food Supply, Wood Furniture Construction	Yes	Yes
12	Mr. Adel Mattar Awal Cont. & Trading Tel. 727065	Petroleum Products, Distributors	Yes	Yes
13	Mr. Adel Al-Safar Computer World Tel. 293493	Computer Sales & Training	Yes	Yes
14	Mr. Khalid A.K. Almoayyed A. K. Almoayyed & Sons Tel.	Merchandise	Yes	Yes
15	Mr. Ali A. Jalil Turk Ali Abdul Jalil A Turk Tel. 700164, 700165	Heavy Transport	Yes	Yes
16	Mr. Hassan Al Dhaen Al-Dhaen Water Sports Tel.	Mech. Repair & Workshop	Yes	Yes
17	Mr. Mohd. Dadabhai Dadabhai Est. Tel. 255209	Toys, Cutlery, & Building Construction	Yes	Yes
18	Mr. Atif Halwachi Halwachi Factory Tel.	Confectionary	Yes	Yes
19	Mr. A. Jaleel Hamdan Al-Jazeera Factories Tel. 332009	Food Products & Botique	Yes	Yes
20	Mr. Taqi Albaharna Sadiq & Taqi Albaharna Tel. 253816	Commercial	Yes	No

Q = QUESTIONNAIRE

I = INTERVIEW

SL NO	NAME OF ENTREPRENEUR & ESTABLISHMENT	TYPE OF BUSINESS	RESPONSE TO	
			Q	I
21	Mr. Moh'd Al-Zamil Al-Zamil Groups Tel.	Aluminium Factory	Yes	Yes
22	Mr. Ahmed Ali Salim Eve Stores Tel.	Cosmetics & Tailoring	Yes	Yes
23	Mr. Hussain Al-Mukharraq Al-Mukharraq Construct. Tel. 261553	Construction & Maint.	Yes	Yes
24	Mr. Waleed Al-Murbatti Murbatti Furniture Tel. 291000	Furniture	Yes	Yes
25	Mr. A. Almahmeed Wael Pharmacy & Drug Store Tel. 537707	Pharmacy & Other Medical Products	Yes	No
26	Mr. Ahmed Al-Khajjah Alkhajjah Est. Tel. 731274	Electricals, Construction, Vehicles, etc	Yes	Yes
27	Mr. Moh'd Saleh Askar Askar Trading Stores Tel.	Contracting & Engineering	Yes	Yes
28	Mr. A. Jalil Al-Ansari Bahrain Bedding Factory Tel. 727073/727407	Bedding Factory	Yes	No
29	Mr. Hussain Bukhaman Bukhanan Furnishing Tel. 784848	Furniture	No	No
30	Mohd. Al-Jalahma Al-Jalahma Centre Tel. 731838	Auto-Workshop, Construction, Spare Parts	No	No

Q = QUESTIONNAIRE

I = INTERVIEW

SL NO	NAME OF ENTREPRENEUR & ESTABLISHMENT	TYPE OF BUSINESS	RESPONSE TO	
			Q	I
31	A. Almoosa Al-Moosa Construction Tel.	Contractors & Gen. Trading	Yes	Yes
32	Mr. H. Hassan Haji Hassan Group Tel. 681037	Construction	No	No
33	Mr. M. Abdullah Essa Al-Mannai Jewellers Tel. 533176	Jewellers	No	No
34	Mr. A. A. Ahmad Mansoor Al-Ali Ahmed Mansoor Tel. 258990	Construction	No	No
35	Mr. Abdulla Ahmadi Ahmadi's Industries Tel. 271333	Beverages, Milk & Milk Products	No	No
36	Mr. M. Al-Zeera Oriental/Delmon Press Tel. 232333	Printers	No	No
37	Mr. Samy Burashid Bahrain Fibre Glass Tel. 731284/731285	Fiber Glass	No	No
38	Mr. Atma Jashanmal Jashanmal & Sons Tel. 251431	Trading & Cosmetics	No	No
39	Mr. Fakhi Fakhi Brothers Tel. 272822	Garments	No	No
40	Mr. A.N.Al-Shoola Gulf Advertisement Tel. 250014/213800	Advertisers	No	No

Q = QUESTIONNAIRE

I = INTERVIEW

SL NO	NAME OF ENTREPRENEUR & ESTABLISHMENT	TYPE OF BUSINESS	RESPONSE TO	
			Q	I
41	Mr. Ali Engineer Y.A.Rahman Engineer Tel.256882	Drilling	No	No
42	Mr. Khorrani Khorrani Construction Tel. 400100/400200	Construction	No	No
43	Mr. Al-Wardi Al Wardi Group Tel. 730626	Construction	No	No
44	Mr. A. Sattar Gulf Exhaust Tel. 400141	Mfr.& Trading Exhausts	No	No
45	Mr. Essa Al-Kubaissi Al-Kubaissi Group Tel.	Construction & Contracting	No	No
46	Mr. Ahmed Dairy Hamelco Tel. 731625	Construction	No	No
47	Mr. Habeeb Awachi Awachi Trading Tel.	Construction & Trading	No	No
48	Mr. Fuad Al-Jishi Al-Jishi Corporation Tel.	Pharmacies & Other Medical Supplies	No	No
49	Mr. Ansari Al Ansari Lightings Tel.	Electrical Supplies	No	No
50	Mr. Al Ameer Al Ameer Commercial Est Tel. 343321	Bldg.Materials & Cold Stores	No	No

Q = QUESTIONNAIRE

I = INTERVIEW

SL NO	NAME OF ENTREPRENEUR & ESTABLISHMENT	TYPE OF BUSINESS	<u>RESPONSE TO</u>	
			Q	I
51	Mr. Ahmed Jawahery Middle East Trading & Eng. Establishment Tel. 532010	Construction, Block Making Factory, Stone Crushing Plant & Gen.Trading	Yes	Yes

Q = QUESTIONNAIRE

I = INTERVIEW