


# Chapter 4

## Key Factors for Entrepreneurial Success: A Synthesis of Earlier Research and an Agenda Proposal to Support Entrepreneurial Training

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### ABSTRACT

*Studies about success and unsuccess factors for startups are still relevant due to the dispersion of the literature about it. Additionally, it remains important to understand how some usual tools used by the entrepreneurs could support a better diagnosis of the success conditions in an earlier phase of the business, avoiding or preventing the unsuccess. This study is a work in progress financed by EU under Erasums+ Program and aims to discuss the factors that influence the business entrepreneurial success considering several stages of the business and its maturity. Finally, it also attends to the business plan as an important tool for entrepreneurial success. The chapter organizes contributions attending to the dimensions—entrepreneurial profile, external environment, and managerial process—and presents an agenda about a set of factors in a macro perspective (public policies, infrastructures, etc.) and in a micro perspective (entrepreneurial profile, social and human capital, etc.) that allows a reflection about the success on a different stage of a business.*

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## **INTRODUCTION**

When we consider the sustainability of a new venture in long term, the issues related to the success or unsuccess/failure comes to the theoretical discussion. Nevertheless, the literature about it remains disperse and approach several aspects, such as, measures to capture success of a business idea, financial sustainability, entrepreneur profile, etc. persists with a lack of systematization. Attending to this dispersion this paper tries to organize the more pertinent contributions attending to the dimensions: entrepreneurial profile; external environment and managerial process.

Concerning entrepreneurial profile some studies focused this aspect as a critical success factor (Kristiansen, Furuholt, & Wahid, 2003). Business behaviour as seem like a function of the individual differences (López-Núñez et al, 2020) and personality and capacity factors can predict business activity and discriminate between ‘successful’ and ‘unsuccessful’ entrepreneurs (Rauch & Frese, 2007; Zhao & Seibert, 2006). Factors that influence the success of a new project have been discussed among academics and most of the researchers have highlighted the importance of the entrepreneur in the process of entrepreneurial success (Omri, Frika and Bouraoui, 2015).

Each year millions of new businesses started all over the world. But according with McKenzie and Paffhausen (2018) more than a quarter of these business fail within their first year, while only a small subgroup of firms grows rapidly generating value and income (Olafsen and Cook, 2016).

The capability to identify previously which firms will succeed is important either for entrepreneurs or investors. In this sense business plan is considered an important strategic tool for entrepreneurs. Planning plays a determinant role in predicting the degree of success potentially achieved by new business.

Developing an appropriate business plan can help entrepreneurs to focus on the strategies and actions that are necessary for business succeed, as well as to achieve both short-term and long-term objectives.

## **ENTREPRENEURIAL SUCCESS: AN EFFORT TO INTEGRATE SEVERAL CONTRIBUTIONS**

The success of a startup entrepreneurial profile appears as an important issue in the literature. Some of the factors that explain the success are:

- Establishment of business goals and take timely decisions to achieve those goals in increasingly competitive and uncertain environments (Ayala and Mazano, 2014);
- Resilience i.e., a high degree of tolerance for ambiguity and a dynamic adaption to change and future, that able to learn from their mistakes (Ayala & Manzano, 2010);
- Gender and possible differences in personal characteristics between men and women that could influence the success of their business (Danes, Stafford & Loy, 2007; Danes et al., 2009). Campbell-Sills, Forde and Stein (2009) identified significant differences between the degree of resilience revealed by men and women. However, this factor is not consensual in literature and some researchers have disclosed differences between men and women in personality traits (Weisberg, DeYoung & Hirsh, 2011), emotional variables (Cabello, Sorrel, Fernández-Pinto, Extremera & Fernández-Berrocal, 2016) and entrepreneurial intention (Santos, Roomi & Liñán, 2016). According to López-Núñez et al (2020, 2) women report higher scores than men “on Big Five personality traits, less frequently perceive themselves as entrepreneurs and have lower perceptions

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