

**A PILOT STUDY TO IDENTIFY THE CRITICAL ACTIVITIES
PERFORMED BY ENTREPRENEURS**

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ABSTRACT

This pilot study attempts to move the study of entrepreneurship beyond the identification of traits or personality patterns common among entrepreneurs to the identification of individual and interpersonal activities performed by entrepreneurs that are critical to business success. A convenience sample of SBDC/SBA directors and successful entrepreneurs was asked to develop a list of activities performed by entrepreneurs and a sample of college professors and entrepreneurs was asked to determine which activities were most critical to business success.

INTRODUCTION

A brief review of the entrepreneurship literature reveals that many of the studies of entrepreneurs begin with the assumption that entrepreneurs are born—or at least conditioned in early childhood. Thus, many studies of entrepreneurship have attempted to identify the essential characteristics of entrepreneurs through identification of traits or critical ingredients in an entrepreneur's personality or to explain the development of entrepreneurs by environmental factors entrepreneurs experience in early childhood. Since such traits and personalities are either inborn or developed in early childhood, the identification of such factors provides scholars with little help in attempting to develop future generations of entrepreneurs. If, however, the actual activities performed by entrepreneurs in the conduct of their business can be identified and the behaviors necessary to carry out these activities can be measured, universities may be able to teach many of the critical behaviors needed for entrepreneurial success.

BACKGROUND

It has long been argued that individual differences explain much of entrepreneurial behavior. For example, entrepreneurs are said to be more willing to bear risk (Khilstrom and Laffont, 1979), frame information more positively (Palich and Bagby, 1995), are more optimistic (Cooper, Woo, and Dunkelberg, 1988) have greater self-efficacy and more internal locus of control (Chen, Greene, and Crick, 1998), and have greater tolerance for ambiguity (Begley and Boyd, 1987) and possess a high need for achievement (McClelland, 1961). Although these may be important characteristics in differentiating entrepreneurs from non-entrepreneurs, they provide academicians with little help in designing entrepreneurship educational programs. Kets de Vries (1977) and Timmons (1985) in a review of research attempting to identify the essential elements of entrepreneurial success found a few common entrepreneurial traits or personality patterns. Most of these traits and personalities, however, were either inborn or developed in early childhood. Thus, the identification of important entrepreneurial traits and personalities provides

few insights that can be used by scholars in their attempts to develop future generations of entrepreneurs.

It appears that the search for an understanding of entrepreneurs has followed a similar pattern used by scholars in the initial search for an understanding of leadership. Early leadership studies also concentrated on identifying traits of outstanding leaders. Geier (1967) reviewed 20 leadership studies that identified almost 80 leadership traits, but found that only five traits were common to four or more studies. Yukl and Van Flett (1992) concluded that after 50 years of studies of leadership traits some specific leadership traits may increase the likelihood of success of a leader, but none of the traits guarantee success.

Short and Dunn (2002) have suggested that entrepreneurship research might benefit from following the model of research that has eventually identified leadership behaviors. Seminal studies in leadership conducted after WWII changed the way we looked at the process of leadership. Ohio State University began studies of leadership in 1945 that approached the topic of leadership by examining and measuring performance or behavior of leaders rather than human traits. The Ohio State Leadership Studies assumed that the study of "leadership" was not to be regarded as a search for "good leadership." Through this definitional assumption, they were able to study leadership whether or not it was effective or ineffective. In addition, the Ohio State Leadership Studies prescribed that its search for a description and evaluation of leadership would be conducted as separate research operations, and that description should precede evaluation. These studies eventually resulted in the development of an objective method (The Leader Behavior Description Questionnaire) for describing how leaders carry out their activities. (Stogdill & Coons, 1957)

At about this same time, the Institute for Social Research at the University of Michigan also began an extensive study of leadership. (Kahn & Katz, 1960) It is not surprising that both streams of research resulted in the discovery of similar leadership dimensions. Fiedler (1967) extended this research stream to conclude that leader effectiveness depended upon situational elements in the work environment and he identified certain leadership styles that were more effective in given situations. Thus, only after these landmark studies conducted by Ohio State University and the University of Michigan did scholars begin to fully understand the functioning of leadership in complex organizations.

PURPOSE OF STUDY

The purpose of this pilot study is to determine if the actual activities performed by entrepreneurs can be identified. Whereas previous research has often focused on why a person becomes an entrepreneur (i.e., their traits or personality patterns), this study will focus on what an entrepreneur does in performing his/her entrepreneurial functions. Our assumption is that many of the individual and interpersonal activities of entrepreneurs required in carrying out the activities critical to business success can be identified and that the entrepreneurial activities required in starting a new venture, managing a small and growing business, and harvesting the results of these entrepreneurial efforts may be different. If these entrepreneurial activities can be identified and analyzed to reveal the critical behaviors that result in successful entrepreneurial performance, it may be possible to develop educational programs to prepare future entrepreneurs.

Thus, this methodology will require, first, the identification of the *activities* performed by entrepreneurs, second, the identification of the *critical* activities in specific situations, i.e., start-up, managing and growth, and harvesting, and third, the development of the *behaviors* of entrepreneurs as they perform these activities. This paper reports on a pilot study to determine if the critical activities performed by entrepreneurs can be identified.

IDENTIFICATION OF ENTREPRENEURIAL ACTIVITIES

To identify the individual and interpersonal activities of entrepreneurs required in carrying out the activities critical to business success, three questions must be considered.¹ (1) *What* does an individual do while performing as an entrepreneur, (2) *Which* of these activities is critical to entrepreneurial success, and (3) *How* does the entrepreneur do it? The first question can be answered through the identification of the individual and interpersonal activities regularly performed by an entrepreneur. The second question is concerned with identifying only those activities performed by entrepreneurs that are critical to success in three stages of entrepreneurship. In answering the third question, an attempt must be made to describe how an individual carries out the entrepreneurial activities identified in the first two questions. This report is primarily concerned with answering only the first two research questions.

For this exploratory study to identify *what* an entrepreneur does, we required a sample of experts who were well grounded in the practice of entrepreneurship. The *what* an entrepreneur does question was directed toward two types of experts; successful entrepreneurs and professors who have worked with and taught entrepreneurs for many years. Since, the specific activities performed by entrepreneurs are largely determined by the demands of the situation, the authors hypothesized that there may be three general patterns of entrepreneurial activities, each requiring different entrepreneurial activities: (1) entrepreneurial activities involved in starting up a business; (2) entrepreneurial activities involved in managing and growing a business, and (3) entrepreneurial activities involved in harvesting a mature business. The experts were asked to identify *what* activities entrepreneurs do in each of these three stages of entrepreneurship.

The identification of the activities performed by entrepreneurs was ascertained through an e-mail survey of Small Business Institute and Small Business Development Center (SBDC) directors—who have worked with entrepreneurs for many years—and a focus group of successful entrepreneurs. Participants were asked to identify *what* an entrepreneur does, that is, what are the individual and interpersonal activities performed by an entrepreneur in the different phases of entrepreneurship—start-up phase, manage and growth phase, and harvest phase. Participants were advised not to prioritize the activities, since that would be done later in the research project.

Responses to the e-mail survey and from members of the focus group were encouraging. Eight SBDC/SBI directors responded to the e-mail survey and five entrepreneurs participated in the focus group. All participants were asked to list the individual and interpersonal activities performed by entrepreneurs in three different stages of entrepreneurship. Although only 13 people participated in the development of the list of activities performed by entrepreneurs, we believe the quality of the participants ensured the validity of the responses. In the academic

¹ The authors have patterned much of this research on the classic leadership studies conducted at Ohio State University. (Stogdill and Coons, 1957)

community sample, the eight SBI/SBDC directors represented over 144 years of experience working with entrepreneurs. In the business community sample, the five entrepreneurs all owned successful businesses and had been in business from a minimum of ten to a maximum of 25 years.

The outcome of the research to identify entrepreneurial activities resulted in the identification of 192 individual or interpersonal activities: 80 start-up activity responses, 80 management and growth activity responses, and 32 harvest activity responses. Response rates on a particular activity varied between professors and entrepreneurs. The numbers of activities listed by professors were about equal between the start-up and the management and growth stages (43.9% of responses in start-up and 38.9% in management and growth), while entrepreneurs listed a higher proportion of activities in the management and growth stage (54.3% of responses) than the start-up stage (31.4% of responses). This variance in activity listing may be the result of the fact that, although all of the entrepreneurs had started businesses and some had harvested businesses, all five of the entrepreneurs were presently engaged in the management and growth stage of businesses.

Through consolidation of similar items from the e-mail survey and focus group discussion, a questionnaire of 113 activities was developed. The questionnaire provided a final list of 40 start-up activities, 51 management and growth activities, and 22 harvest activities. No activities identified by any respondent were eliminated from the list at this stage.

FINDINGS

The questionnaire developed above was presented to a group of professors of entrepreneurship—who attended the joint session of the Association for Small Business and Entrepreneurship held in conjunction with the October 3-4, 2002 Allied Academies meeting in Las Vegas—and to members of the University of Louisiana at Monroe Entrepreneurship Studies Center Advisory Board. Participants were asked to rate each item as to their perception of its importance in contributing to successful entrepreneurship. Five ratings were provided; critically important, very important, important, less important, and unimportant. Table 1 shows a listing of the questions asked respondents and the ratings of the respondents to each item. Since the sample size is so small, no attempt has been made to differentiate responses by type of respondent.

Insert Table 1 about here.

Only six professors and four entrepreneurs participated in the rating of entrepreneurial activities, thus, providing a very small convenience sample for use in this pilot study. As can be seen in Table 2, responses from the sample were strongly oriented toward the more important end of the rating scale with respondents rated almost two-thirds of the items as critically important or very important. Respondents rated 61.8 percent of the items as critically or very important in the start-up phase, 67.1 percent of the items as critically or very important in the manage and growth phase, and 63.8 percent of the items as critically or very important in the harvest phase. At the

lower end of the scale, only 8.5 percent of the respondents rated items as less important or unimportant.

Insert Table 2 about here.

If the data in Table 1 are grouped into the traditional business functions an interesting pattern emerges that sheds more light on the critical activities performed by entrepreneurs. Table 3 shows the items that were rated as critically important or very important by at least 70 percent of the respondents grouped into the traditional business functions and the three phases of entrepreneurship—start-up, manage and growth, and harvest. The high criterion of selection by at least 70 percent of the respondents was chosen because of the apparent bias of respondents toward the higher end of the scale.

Insert Table 3 about here.

Some interesting insights can be gathered from a perusal of Table 3. It appears that the critical activities performed by entrepreneurs are different depending upon the phase (i.e., start-up, manage and growth, and harvest) of business enterprise. For example, although financial activities are significantly important regardless of the entrepreneurship phase, the specific financial activity varies with the particular stage of entrepreneurship. During the start-up phase, entrepreneurial financial activity centers on the acquisition of funds. In the manage and growth phase, although entrepreneurs are still concerned with acquisition of funds, they are also interested in the management of the finances of the business. And during the harvest stage, entrepreneurs develop a stronger interest in money as a personal rather than a business asset.

Other entrepreneurial activities also appear to be more or less important depending upon the phase of entrepreneurial activity. For example, in the harvesting stage, most of the entrepreneur's interest appears to be in enhancing personal wealth rather than business success. As you would expect, the more traditional management issues of marketing, production/operations, personnel, and organizational, appear to be more significant in the manage and growth stage. Not surprising is the discovering that a more analytical approach to business may be needed in the start-up stage—in conducting preliminary research, developing a business plan, analyzing funding sources, assessing competition, etc.—and a more traditional approach to management is needed in the manage and growth phase. These observations reinforce the notion that entrepreneurs must continually shift their mind set from the start-up phase, through the manage and growth phase, to the harvest phase.

CONCLUSIONS

A number of conclusions may be drawn from this pilot study. First, our assumption that the individual and interpersonal activities performed by entrepreneurs can be identified appears to be supported by this study. Although the sample size is very small, the high quality of the

respondents developing the list of activities ensures that the list is fairly comprehensive and represents most of the activities performed by entrepreneurs in carrying out their entrepreneurial functions.

Second, our assumption that the activities performed by entrepreneurs may be different in the various phases of entrepreneurship also appears to be supported by this study. The activities identified as critical to entrepreneurial success appear to be quite different depending upon the particular phase of entrepreneurship. For example, entrepreneurs in the harvest phase appear to be much more interested in personal success rather than business success, while entrepreneurs in the manage and growth phase appear to be concerned with the more traditional, day-to-day aspects of business management.

Third, most of the activities identified as critical in the three phases of entrepreneurship are activities that require skills that can be taught in a business school. Financial management, for example, is an area that, although different in the three phases of entrepreneurship, can be taught to aspiring entrepreneurs. Acquisition of funds (in the start-up phase), management of the on-going financial aspects of a business (in the manage and growth phase), and the conversion of business assets into personal wealth and the management of this wealth—in the harvest phase—are all areas of financial management. The skills required in these areas of financial management, however, are quite different. For example, in the start-up phase, the focus is on forecasting the need for and the use of funds with quite limited knowledge and on the development of written plans of action to sell others on your ideas and your ability to carry out your ideas. In the manage and growth stage, the focus is on the more traditional accounting role of utilizing and managing current assets and the manager usually knows a lot about the on-going business operation and often has experts in accounting to provide advice and guidance. In the harvest phase, entrepreneurs must shift their thinking from acquisition and utilization of funds to conversion of assets to liquid capital and the management of this capital an entity in itself.

Although similar, other shifts in mind-set and activity performance of entrepreneurs in the three phases of entrepreneurship may be identified through a careful study of Table 3, the purpose of this pilot study was not to develop an exhaustive list of activities performed by entrepreneurs. The primary purpose of this pilot study was to determine if the critical activities performed by entrepreneurs could be identified. A secondary purpose was to determine if the critical activities performed by entrepreneurs in the three phases of entrepreneurship, i.e., start-up, manage and growth, and harvest, were different. The conclusions drawn from this pilot study support the contention that more attention should be paid in the future on what an entrepreneur does in carrying out his/her entrepreneurial activities and less on what kind of person the entrepreneur is.

FURTHER RESEARCH

The authors see a number of avenues of further research. First, of course, since this is only a pilot study based on a limited convenience sample of experts, duplication of the study with a much larger sample will be needed to verify the individual and interpersonal activities critical to entrepreneurial success. Second, an interesting comparison may be made between entrepreneurs who succeed and those who fail to determine if significant perceptual differences occur among the activities considered critical between the successful and unsuccessful entrepreneurs. Third, a

comparison may be made between entrepreneurs in rapidly growing businesses and small business owner/operators in fairly stable businesses to see if differences appear between these two types of entrepreneurs. In the longer run, turning the knowledge of *what* entrepreneurs do into educational programs to develop future generations of entrepreneurs will require considerable more research similar to that research undertaking in the development of leadership knowledge.

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Table 1

**RESPONSES TO THE ENTREPRENEURSHIP
ACTIVITIES QUESTIONNAIRE**

Respondents rated each item as critically important, very important, important, less important, or unimportant. The percentage of respondent rating an item in each category is shown below including those who did not respond to the question. Columns are designated as follows:

CI = Critically Important I = Important UI = Unimportant
 VI = Very Important LI = Less Important NR = No Response

Activities performed in STARTING a new business

<u>Percentage</u>	<u>Entrepreneurship Activities</u>						
<u>CI</u>	<u>VI</u>	<u>I</u>	<u>LI</u>	<u>UI</u>	<u>NR</u>		
50	30	20	0	0	0		1. Conducting preliminary research on the business idea
40	30	30	0	0	0		2. Designing a product or service
60	40	0	0	0	0		3. Developing a business Plan
60	40	0	0	0	0		4. Seeking initial financing
10	70	20	0	0	0		5. Acquiring facilities and personnel
70	30	0	0	0	0		6. Starting up the actual business
30	30	40	0	0	0		7. Determining size of market
40	30	20	10	0	0		8. Assessing competition
20	60	10	10	0	0		9. Analyzing funding sources
10	40	40	0	0	10		10. Evaluating location possibilities
40	10	50	0	0	0		11. Assessing legal requirements for going into business
20	30	50	0	0	0		12. Determining entry level pricing
10	10	60	20	0	0		13. Formulating initial promotion budget
60	40	0	0	0	0		14. Determining target consumer(s)
80	20	0	0	0	0		15. Securing financing
10	30	30	30	0	0		16. Creating promotional materials
30	70	0	0	0	0		17. Creating and defining marketing strategy
0	0	40	50	10	0		18. Developing personnel forms (work schedules, etc)
20	0	70	10	0	0		19. Developing operational processes and procedures
10	10	40	40	0	0		20. Defining management structure
20	10	40	30	0	0		21. Planning long-range strategy
30	10	20	40	0	0		22. Defining the mission
20	40	20	20	0	0		23. Defining product or service strategy
10	20	50	10	10	0		24. Conducting surveys to determine market and demographics
60	10	10	10	10	0		25. Deciding what business to start
50	30	10	10	0	0		26. Deciding where to go into business
60	40	0	0	0	0		27. Determining how to get money

10	40	30	20	0	0	28. Deciding form of business (single owner or partnership)
40	40	20	0	0	0	29. Creating the start-up team
CI	VI	I	LI	UI	NR	
10	30	30	20	0	10	30. Developing a support group
50	50	0	0	0	0	31. Finding the right banker
10	40	20	30	0	0	32. Finding the right lawyer
20	50	10	20	0	0	33. Finding the right CPA
70	20	0	10	0	0	34. Developing cash flow analysis
30	20	40	10	0	0	35. Developing an accounting system
0	10	50	30	10	0	36. Developing strategic alliances
30	50	0	20	0	0	37. Identifying personal goals
50	20	20	10	0	0	38. Identifying personal/family financial needs
40	30	30	0	0	0	39. Establishing supplier relationships
0	10	60	20	10	0	40. Networking (Chamber of Commerce, trade associations, etc.)

Activities performed in MANAGING and growing a business

CI	VI	I	LI	UI	NR	
20	40	40	0	0	0	41. Redefining products or services
80	10	10	0	0	0	42. Marketing the products or services
10	60	20	10	0	0	43. Refining production facilities
30	70	0	0	0	0	44. Acquiring additional funding to support growth
20	30	50	0	0	0	45. Building production capacity
20	40	30	10	0	0	46. Determining manpower requirements
30	60	10	0	0	0	47. Evaluating sources for additional funding
40	40	20	0	0	0	48. Developing a capital budgeting plan
60	10	30	0	0	0	49. Developing monitoring and control systems
10	50	40	0	0	0	50. Refining market segmentation scheme
10	40	30	20	0	0	51. Developing new product development plans
10	40	40	10	0	0	52. Evaluating promotion plan
20	40	20	20	0	0	53. Redefining mission and purpose of business
30	20	40	10	0	0	54. Adjusting marketing and advertising strategies
10	80	0	10	0	0	55. Identifying new market
30	30	20	20	0	0	56. Surveying customers for management problems
30	30	20	20	0	0	57. Surveying employees for management problems
80	20	0	0	0	0	58. Building and maintaining customer relations
10	40	50	0	0	0	59. Reviewing product strategy
10	40	50	0	0	0	60. Developing ideas for expansion
80	20	0	0	0	0	61. Working out cash flow problems
20	40	40	0	0	0	62. Studying tax issues
30	40	10	20	0	0	63. Deciding on the need for a CPA
50	30	20	0	0	0	64. Working with bank on financial issues
40	30	30	0	0	0	65. Selecting managerial personnel for expansion programs
50	20	30	0	0	0	66. Recruiting and selecting appropriate employees

20	60	20	0	0	0	67. Working through managers rather than doing it yourself
30	50	10	10	0	0	68. Finding the right banker
10	40	30	20	0	0	69. Finding the right lawyer
20	40	20	20	0	0	70. Finding the right CPA

CI VI I LI UI NR

50	30	20	0	0	0	71. Shifting your mind set from start-up mode to managing mode
20	80	0	0	0	0	72. Concentrating on the big picture
20	30	40	10	0	0	73. Establishing policies and procedures
50	20	30	0	0	0	74. Building accountability into the system
40	30	30	0	0	0	75. Committing to measurement and performance evaluation
30	50	10	10	0	0	76. Increasing sales at the right pace
30	20	50	0	0	0	77. Creating a new management team
10	50	30	10	0	0	78. Concentrating on continued action, careful of complacency
30	20	50	0	0	0	79. Restructuring organization from start-up to management mode
10	50	40	0	0	0	80. Training a new management team
20	30	40	10	0	0	81. Developing incentive and compensations systems
30	30	40	0	0	0	82. Refocusing from hands-on management to long-term planning
40	50	10	0	0	0	83. Surveying changing markets and economy
40	50	10	0	0	0	84. Determining target consumer(s)
70	20	10	0	0	0	85. Securing financing
10	50	20	20	0	0	86. Creating promotional materials-brochures, business cards, ads
20	30	40	10	0	0	87. Conducting breakeven analysis
40	30	30	0	0	0	88. Building supplier relations
0	20	60	20	0	0	89. Networking (Chamber of Commerce, trade associations, etc.)
10	20	40	30	0	0	90. Establishing advisory boards
30	40	20	10	0	0	91. Minding regulatory issues (OSHA, EPA, etc.)

Activities performed in HARVESTING a business—that is, moving out of the day-to-day management of a business

CI VI I LI UI NR

40	30	20	0	0	10	92. Valuing the business
30	50	10	0	0	10	93. Seeking prospective buyers
40	40	10	0	0	10	94. Negotiating with prospective buyers
60	10	10	0	0	20	95. Finalizing the sale
40	50	0	0	0	10	96. Evaluating reasons for harvesting
60	20	10	0	0	10	97. Determining the best means of harvesting
50	20	20	0	0	10	98. Working with a competent attorney for harvesting
30	40	20	0	0	10	99. Preparing post-harvesting personal plans
30	20	40	0	0	10	100. Deciding how to close a business
60	10	20	0	0	10	101. Evaluating tax issues
10	20	50	10	0	10	102. Deciding how to milk a mature market
0	50	30	10	0	10	103. Evaluating diversification ideas
10	20	40	20	0	10	104. Expanding into a different market or location

30	20	20	20	0	10
10	30	40	10	0	10
30	40	20	0	0	10
40	30	10	10	0	10
40	30	10	10	0	10
50	20	0	10	10	10
<u>CI</u>	<u>VI</u>	<u>I</u>	<u>LI</u>	<u>UI</u>	<u>NR</u>

10	30	50	0	0	10
20	50	10	0	0	20
40	40	10	0	0	10

- 105. Redefining mission
- 106. Surveying new needs of the current market
- 107. Deciding how to sell my business
- 108. Conducting estate planning
- 109. Investing for the future
- 110. Developing succession plans

- 111. Transiting from active to relative passive managing role
- 112. Liquidation of assets
- 113. Cash flow management

Thank you for your cooperation.

Table 2

DISTRIBUTION OF RESPONSES

Responses	Respondents							
	Start Up		Manage/ Growth		Harvest		Total	
	No.	%	No.	%	No.	%	No.	%
Critically Important	128	32.0	151	29.6	73	33.3	352	31.2
Very Important	119	29.8	191	37.5	67	30.5	377	33.4
Important	98	24.5	135	26.5	45	20.5	278	24.6
Less Important	48	12.0	33	6.4	10	4.5	91	8.0
Unimportant	5	1.2	0	0	1	0.4	6	0.5
No Response	2	0.5	0	0	24	10.9	26	2.3

Table 3

**ENTREPRENEURIAL ACTIVITIES*
THAT ARE CRITICAL OR VERY IMPORTANT IN**

STARTING A BUSINESS

Personal Planning Issues

Developing personal goals
Identifying personal/ family financial needs

General Business Issues

Conducting preliminary research
Deciding what business to start
Developing a business plan
Starting the actual business

Financial Issues

Analyzing funding sources
Determining how to get money
Seeking initial financing
Finding the right banker
Securing financing
Finding the right CPA
Developing cash flow analysis

MANAGING & GROWING A BUSINESS

Personal Planning Issues

None

General Business Issues

Shifting mind from start-up to management mode
Concentrating on the big picture

Financial Issues

Acquiring additional funding to support growth
Evaluating sources for additional funding
Securing financing
Developing a capital budget plan
Working out cash flow problems
Deciding on need for CPA
Finding the right banker
Working with bank on financial issues

HARVESTING A BUSINESS

Personal Planning Issues

Evaluating reasons for harvesting
Preparing post-harvesting plans
Conducting estate planning
Investing for the future

General Business Issues

Determining best means of harvesting
Seeking prospective buyers
Negotiating with prospective buyers
Working with attorney
Finalizing the sale
Deciding how to sell business

Financial Issues

Valuing the business
Evaluating tax issues
Liquidation of assets
Cash flow management

Table 3 (Continued)

Marketing Issues	Marketing Issues	Marketing Issues
Designing a product or service Determining target consumer Assessing competition Creating and defining marketing strategy	Surveying changing markets and economy Determining the target consumer Marketing the product or service Identifying new markets Building and maintaining customer relations Increasing sales at the right pace	None
Production/ Operations Issues	Production/ Operations Issues	Production/ Operations Issues
Deciding where to go into business Acquiring facilities Establish supplier relationships	Redefining production facilities Developing monitoring and control systems Building supplier relations	None
Human/ Organizational Issues	Human/ Organizational Issues	Human/ Organizational Issues
Creating the start-up team Acquiring personnel	Building accountability into the system Committing to measurement and performance evaluation Selecting managerial personnel for expansion programs Recruiting and selecting appropriate employees Working through managers rather than doing it yourself Minding regulatory issues-OSHA, EPA, etc.	Developing succession plans

- Entrepreneurial activities rated critically important or very important by at least 70 percent of the respondents.

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