

# Entrepreneurial attitude to growth

[Business](#), [Entrepreneurship](#)



Personality traits like overconfidence, ambition, and greed motivate entrepreneurs to push for fast growth as the desired and best route for building companies. This also leads them to raise greater capital and push for sales at any cost, often at the cost of both margins and cash flows. Inherently unprofitable orders with razor thin margins are accepted in the hope of growing sales. At other times orders with extended payment terms are signed with consequent blockage of money and inability to accept other orders (Hupala, 2008).

Enron is a classic case of the desire for growth gone wrong. Whilst Enron is too big a company to be used as an example of small entrepreneurship, smaller businessmen have on many times been found to engage in fraud, wrong documentation, misrepresentation and fudging of accounts to enhance their growth. Wrong value systems, which do not have much time for issues associated with expediency and focus on ends rather than means motivate people to choose unlawful routes for growing their business, strategies that rarely pay off and more often than not land the entrepreneur in legal trouble and social disgrace.

Growth needs to be carefully controlled, pushed up when it falters and guided carefully when it speeds up. Entrepreneurs need to resist their urges to take extraordinary risks or to engage in excess conservatism whilst guiding growth routes. Impulses to take advantage of illegal and wrong means need to be resisted strongly (Hupala, 2008).

Much of the success or failure of entrepreneurs in setting up profitable and growing small businesses depend upon the personal traits, attitudes, abilities, values and emotions of individual entrepreneurs. With very few

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individuals having the numerous requirements needed for entrepreneurial success, it becomes necessary for individuals desiring to take up entrepreneurial careers to assess their personal qualities and their strong and weak points, which can help or hinder their entrepreneurial activities.

Such self analysis will help entrepreneurs in their choice of projects, in choosing employees, in determining the financial structures of their firms, in choosing ethical action routes, and in their dealing with outsiders and insiders.

Entrepreneurs in small businesses should take particular care to ensure that their project is in line with their abilities, that growth is achieved gradually rather than dramatically, and that financial conservatism is adopted as a way of business life. Much of the financial crisis that has enveloped small and big entrepreneurs today stems from over ambition and the availability of cheap and abundant finance that was used without paying thought to the possibility of the tap drying up one day.

Entrepreneurs must take lesson from the current crisis, work on their strengths and control their weaknesses if they are to succeed in their entrepreneurial career.