



THE ROLE OF FEAR ON THE ENTREPRENEURIAL MINDSET

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Abstract:

The demand for entrepreneurship is growing in the world. It reminds readers of triumph. However, achievement elements in enterprises are associated with many factors. To fully understand entrepreneurship, besides technical issues, it should be focused on some soft issues. For this purpose, this article was conducted on fear emotion that affects entrepreneurial actions. The study used a qualitative method using primary data from questionnaires. The analysis provides an overall view that in entrepreneurship, intangible factors are accepted as meaningful as tangible ones. The research aims to uncover the effects the fear factors implement the entrepreneurial mindset. The issues consist of an introduction, theoretical framework, and hypothesis study about entrepreneurship, and fear. Lastly, conclusions and recommendations are submitted to help enable the advancement of entrepreneurial activities.

Keywords:

Entrepreneurship, Entrepreneurial Mindset, Fear

1. Introduction

The attention paid to the concept of an entrepreneur, which is one of the production factors, is rising (Anderson et al., 2019). Entrepreneurship is a more common theme with the change in perceptions and the contribution of environmental factors (Drucker, 2017). The increasing popularity of entrepreneurship is embraced by both the business community and the academic environment. Many new initiatives are being established all over the world, and many academicians are studying this issue. However, considering entrepreneurship as an only technical issue raises problems on the way to advance. The study focused on the entrepreneurial mindset required for a deeper view of entrepreneurship. The entrepreneurial mentality is at least as valuable as environmental factors that will ensure the emergence of the enterprise. Therefore, it is essential to discuss the entrepreneurial mentality that will activate the businessperson. What causes the entrepreneurial thought to arise is that environmental requirements meet entrepreneurial behavior (Akgün et al, 2019). For this purpose, in the research, the concept of fear will be examined and its effects on entrepreneurial mentality will be investigated. It is enough to look at the developments after Covid-19, to understand how effective the feeling of fear is in human being's actions (Xiarewana & Civelek, 2020).

2. Literature Review

Although entrepreneurship is accepted as a trending notion, it is seen that the origin of the concept dates back to the 1700s. The entrepreneurial adventure that commenced with Cantillon has been contributed and handled by many intellectuals (Özmen, 2016). Although it has been written for almost 250 years, there has been no common concept of entrepreneurship that everyone agrees on (Bygrave & Hofer, 1992). Drucker (2017) mentions that there is a complete "confusion" regarding this issue. Even if this is perceived as a negative aspect, the entrepreneurship can be interpreted as it is continuing to develop with the contribution of different disciplines. Table 1 presents some of the thinkers who have contributed to the field of entrepreneurship and the parts they highlight.

Table 1. Key Elements of Entrepreneurship

Key Element	Writer
Innovation	Schumpeter (1947); Cochran (1968); Drucker (1985); Julien (1989; 1998)
Risk	Cantillon (1755); Knight (1921); Palmer (1971); Reuters (1982); (Rosenberg (1983)
Resource coordination, organization	Ely&Hess (1893); Cole (1942); Aitken (1965); Belshaw (1955); Chandler (1962); Leibstein (1968); Wilken (1979); Pearce (1981); Casson (1982)
Value added	Say (1815); Bruyat&Julien (2001); Fayolle (2008)
Project and visionary thought	Longenecker&Schoen (1975); Filion (1991; 2004)
Action oriented	Baty (1981)
Leadership	Hornaday&Aboud (1971)
Dynamo of the economic system	Weber (1947); Baumol (1968); Storey (1982); Moffat (1983)
Venture developer	Collins, Moore&Unwalla (1964); Smith (1967); Brereton (1974); Komives (1974); Mancuso (1979); Schwartz (1982); Carland, Hoy, Boulton (1984); Vesper (1990)
Recognizing opportunities	Smith (1967); Meredith, Nelson&Neck (1982); Kirzner (1983); Stevenson&Gumpert (1985); Timmons (1985); Dana (1995); Shane&Venkatamaran (2000); Bygrave&Zacharakis (2004); Timmons&Spinelli (2004)
Productive	Zaleznik&Kets de Vries (1976); Pinchot (1985)
Preoccupation	Lynn (1969), Kets de Vries (1977; 1985)
Control	Mc Clelland (1961)
Change oriented	Mintzberg (1973); Shapiro (1975)
Rebellious / Guilt	Hagen (1960)

Source: Demirtaş et. al. 2017; Özmen, 2016

On the other hand, in order to understand entrepreneur and entrepreneurship, it is necessary to see the entrepreneur who will reveal them as well as economic opportunities. For this reason, the concept of entrepreneurial mentality should also be focused on. It is quite natural to see the effects of the world of the social, political, administrative, judicial, military, religious, commercial environment, and time that affects the entrepreneur's mind (Aktaş, 2007). In this respect, it is not accurate to think of the entrepreneur independently from his environment. As a matter of fact, Schumpeter also suggested entrepreneurship as a mentality and states that the view that is the basis of innovation comes with this way of thinking. The pursuit of innovation is among the most fundamental cornerstones of entrepreneurship. It creates new combinations by blending within the existing possibilities. It changes the balances, ends the stagnations; it creates bounces and breaks with the innovations both in its own market and in other markets (Marangoz, 2017). One of the key factors in sensing / discovering and evaluating opportunities is this mentality structure (Mathisen & Arnulf, 2014). The brief difference between the entrepreneur and the non-entrepreneur is emphasized by the entrepreneurial mentality (Gartner, 1988).

Emotional differentiation in entrepreneurship can also affect business. The feeling of fear can also be shown among these differences. Fear, which is one of the most hesitant feelings of human beings, occurs in the event of personally encountering a threat or danger (Yörükoğlu, 2002). It would be wrong to attribute the existence of something to be feared only to a physical cause. Fear can also be associated with psychological factors. Changes not expected in the person or the environment can also lead to the emergence of fear. Fears that may arise in connection with

experiences may differ from individual to individual. Actions, objects, and thoughts that may raise threats or anxiety may emerge as the source of fear.

In the face of fear, the person tries to protect himself by “escaping, hiding, or fighting when he is in trouble” (Yörükoğlu, 2002). Understanding the fear of the entrepreneur is actually important in terms of displaying the effort he made in the struggle for existence. In other words, when faced with fear, it suggests that “something in the environment poses a danger and one should act quickly to protect himself” (Smith et al., 2012). With this aspect, it can be claimed that some essential concepts for entrepreneurship take action. The first is the concept of market awareness. The entrepreneur, who is not aware of his environment, will be left behind by his competitors, which causes financial and emotional losses to the entrepreneur. Second, both the observation and intuition ability of the entrepreneur who is sensitive to the market should be improved. In Schumpeter's entrepreneur, it was tried to emphasize that the entrepreneur should be different by seeing the invisible. All these points are mentioned about the behaviors that speed up the entrepreneur to take action (Kirzner, 1999). For this reason, fear is thought to be important as one of the reasons behind being quick as well as exploring and acting. Köknel (2013) talks about the success of turning fear into skill.

3. Theoretical Framework

Bird (1988) depicts that the entrepreneurial mindset by mentioning the elements that should be examined before the intent/orientation. The criticisms of the studies put forward to scale the entrepreneurship mentality also confirm this statement. Because for the feature that is tried to be measured, some expressions are brought to the fore, and researches are carried out, personality traits, intention, etc. However, when the results are examined, the researchers state that this effort is inadequate (Davis et al., 2016). Although there are researchers who care about personality (Rauch & Frese, 2007) especially Baron (1998), he talks about cognitive mechanisms and effects on this field. He also states that studies associated with a personality only cause frustration in seeing the whole of the entrepreneurial areas. It is also observed that studies addressing the fear of failure encountered in entrepreneurship have been carried out (Cacciotti & Hayton, 2015). In this study, the researchers revealed that fear has not only a freezing/braking effect but also an incentive aspect. In order for the existing situation not to worsen or be corrected, human beings take action in a solution against the negative situation they encounter. Therefore, it is thought that since fear, positive contributions can be obtained through the control of factors perceived as negative. Thus, the authors examined both positive and negative results of fear in their study. In this case, the important one is not fear, the reaction against fear is the determiner.

H1: There is a relationship between fears and entrepreneurship mindset.

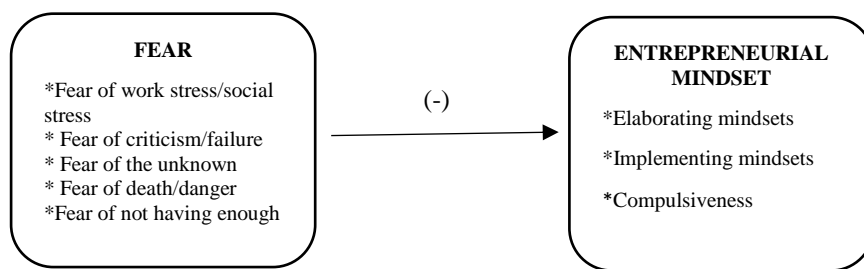


Figure 1. Research Model

In order to reach the scales used in the tests, a detailed literature review was carried out. In addition to demographic information, "Entrepreneurship Mindset Scale" of Gollwitzer (1990), which Mathisen & Arnulf used in his studies (2014), was used to shape the survey. Within this scale, it was analyzed by reducing the entrepreneurial mentality to 3 sub-dimensions and consisting of 8 questions. In addition, Deniz et al. compiled by Farmilant (1995) belongs to Burnham & Gullone (1997) and Wolpe & Lang (1969), which they used in their studies (2011) "Fear Scale" was included in the questionnaire. Under this dimension, a scale with 5 sub-dimensions was presented under the 5-question sections.

Table 2. Question Distributions on Scales

Scales	Subdivisions	Item	
Entrepreneurial mindset	Elaborating mindsets	8	24
	Implementing mindsets	8	
	Compulsiveness	8	
Fear	Fear of work stress/social stress	5	25
	Fear of criticism/failure	5	
	Fear of the unknown	5	
	Fear of death/danger	5	
	Fear of not having enough	5	
Descriptive information	Demographics	5	5
Total			54

To obtain clear data, a private and public university were selected in İstanbul and 1100 questionnaires were distributed to the students. Based on volunteering, some of the students returned the questionnaires blankly. 741 surveys were filled and 72 were not included in the data set since they were not completed. Those who did not make any difference were removed and 562 samplings were included in the study. While ensuring that the questionnaires reach the students, it was tried to reach third and especially senior students in faculties and second-grade students concerning graduation in vocational high schools. The sample was aimed to be healthier by choosing a public and a private university in İstanbul, that is easy to access for research. With the help of the collected data, fear and entrepreneurship mentality were subjected to regression analysis.

4. Conclusion

According to results, in the upper dimension, the model is meaningful, but there is no interaction. When we turn to the sub-dimensions, fear of unknown affects negatively entrepreneurial mindset ($\beta: -0,097$, ($p < 0,05$)). Moreover, in sub-scales fear of work stress/social stress affects positively implementing mindsets ($\beta: 0,079$, ($p < 0,05$)). Fear of the unknown affects negatively compulsiveness ($\beta: -0,126$, ($p < 0,05$)). Collins (2007) says that as fear increases, success in entrepreneurship decreases. According to the result of the entrepreneurship orientation and fear of failure survey conducted by Martins et al., on university students in 2018, an inverse relationship was detected between the two factors. Negative values were found in entrepreneurship-related requirements (such as creativity, proactivity, risk-taking) among students with high fear value. It is stated that fear triggers negative judgments and reduces optimism (Gupta, 2013). As Boudreaux et al. (2019) stated in their studies, fear has a negative effect on evaluating interference opportunities. The results obtained match the results in the literature.

In the literature, it is mentioned that there are factors to be looked at before the activity for the entrepreneurial performance that will emerge as a result of the entrepreneurship intention (Zhao et al., 2010; Mathisen & Arnulf, 2014). In their study, Boudreaux et al. (2019) mention that there are still areas to be investigated about how socio-cognitive factors interact to reveal individual entrepreneurial action. This type of research shows that entrepreneurship is not just about numbers and encourages the research to be done (Shepherd, 2015).

Since there is a time and opportunity constraint to study, only two universities (one state, one public) could be carried out. Research can be done with more universities and students. In addition, ready-made scales were used in

the study. According to Hofstede and Bond (1984), different cultures can have different results. For this reason, it may be more beneficial to develop scales according to the structure of the Turkish society.

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