Chapter 6


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ABSTRACT

Entrepreneurship has been considered a significant factor for socio-economic growth and development, and there has been a significant growth in the education on entrepreneurship in the world. The present study provides the experiences of different actors on the implementation of a psychological assistance program to new entrepreneurs in a university business incubator as well as its impact on them. The findings suggest that this program, in its time the first or one of the first of its kind as far as the literature review suggested, had a positive impact, gives entrepreneurs a space to reflect, motivation and perseverance, allows them to see themselves as integral and thus help to improve the chances of success of the startup by learning key psychological entrepreneurial competencies.

INTRODUCTION

Small and medium-sized businesses (SMEs) provide jobs faster than large companies in both developed and developing markets. Its founders (entrepreneurs) have been studied under the optic of several research streams of Psychology (organizational, the psychology of work, etc.). Different psychology approaches recently experienced a revitalization due to the importance of SMEs, for that, Rauch & Frese (2000) mention that all aspects of psychology are addressed when studying entrepreneurship. Drawing from the psychology of entrepreneurship literature, an intervention program was designed on the Universidad Autónoma de Ciudad Juárez’s business incubator with the goal of helping its entrepreneurs improve its entrepreneurial competences with the positive effect might have in its efficiency indicators, namely, the elaboration of a business plan by the entrepreneurs, the final product of the incubation process. This paper will share the experiences and the impact of the psychological program on its entrepreneurs during this process.

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LITERATURE REVIEW

Frese (2010) argues that a psychological approach is a requirement to understand entrepreneurship. The cognitive approach to the study of the dynamics of the entrepreneur emerged as an alternative to the approach of their characteristics since, even though the latter produced relevant search results, many of them are contradictory, so research began to consider other aspects (Boucknooghe, Van den Broeck, Cools & Vanderheyden, 2005). Such an approach may help to explain identification of opportunities for entrepreneurship and growth, the definition itself of an entrepreneur, success in the entrepreneurial project, and distinguish individuals from one another. These cognitive aspects include their beliefs and values, cognitive styles and mental processes (Sánchez, Carballo & Gutierrez, 2011).

Authors such as Boucknooghe et al. (2005) and Sanchez (2009) identify the structures of knowledge that entrepreneurs use to make decisions, judgments, or assessments, evaluate opportunities, create and grow their businesses. Krueguer & Evans (2004) have been based on the idea that whatever a person thinks, says or does, is influenced by cognitive processes under which they acquire, use and process information. Sánchez et al. (2011) suggest that the above separates entrepreneurs from those who are not, to think and process information differently.

Recently, Nwankwo & Akam (2011, p. 257) have proposed a new construct called Psychopreneurship, defined as “…the socio-human conduct which facilitates the achievement and the creation of wealth, derived from psychology constructs and Entrepreneurship…” Functionally, they say, involves the psychological qualities which exploited, are the instrument in the proactive activation of achievement and entrepreneurial potential of individuals, so Psychopreneurship is the psychological dimension of entrepreneurship.

The level of poverty in a society usually manifests itself in a significant relationship between the conduct of people and entrepreneurship (Oghuvbu, 2007). So, the venture is sustained basically by the conduct, and its value is enhanced by the ability of the person to be flexible, pragmatic, and to adapt, as well as having the strategic thinking necessary to explore and exploit opportunities (Nwankwo & Akam, 2011). The need to articulate the psychological attributes and qualities that influence sustainable entrepreneurship motivations, as well as the socio-human audacity, constitute the main body of Psychopreneurship (Nwankwo & Akam, 2011).

Incorporate the psychology of entrepreneurship in students is important and can help awaken in them the spirit of enterprise (Archibong & Ejue, 2009). Nwankwo & Akam (2011) focus on the influence or roles of psychology that affect entrepreneurship, promote motivational propensities of people for achievements, articulates the social skills and competencies that provide assistance or induce success and redirects the individual impulses in productive projects, reiterating the fact that entrepreneurship is a function of the socio-human provisions based on the need for achievement (McClelland, 1969).

Nwankwo & Akam (2011) mention that the sense of entrepreneurship usually starts with a feeling of insufficiency and lack of achievement (deprivation), and as a result, the individual is encouraged to participate in actions that promote growth. Several authors note it is important to investigate positive and negative factors (Liñán, Urbano & Guerrero, 2011), intrinsic and extrinsic motivation (Huovinen & Koiranen, 2011), perseverance/desire for achievement (Nurwahida & Abdul, 2011), emotional intelligence (Cross & Travaglione, 2003), resilience (Ayala & Manzano, 2010), entrepreneurship (Garcia del Junco, Alvarez & Reyna, 2007), success (Makhbul & Hasun, 2011) and dispute resolution (Shelton, Dane & Eisenman, 2008) in the new venture.