

# What works in entrepreneurship trainings

## FAO Webinar

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in collaboration with  
MIT Sloan Management

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Sloan Management)**

# **The Syndrome of Personal Initiative Consists of 3 Types of Action Characteristics: Self-starting, Future Orientation and Overcoming Barriers**

## **Meaning of Self-Starting**

- **Self-starting is different from the “normal” or obvious approaches**
- **Doing the obvious → self-starting is low**
- **Something new and innovation**

## **Meaning of future orientation**

- **Scanning for opportunities and problems that may appear in the future**
- **Preparing now for dealing with future problems and exploiting future opportunities**
- **Actively seeking feedback to enhance long term usefulness of products/services**

## **Meaning of Overcoming Barriers**

- **Protecting one’s goals and adapting one’s plans to overcome problems on the way towards the goal**
- **Active dealing with problems instead of giving up**
- **Dealing with own anxieties and frustrations – self-regulation**

# **Personal Initiative as Prototypical Active Behavior**

- **Self-starting**
  - **Future oriented**
  - **Overcoming barriers**
- **Changing the environment**

## **The Opposite of Personal Initiative Is the Reactive Approach:**

- **Does what one is told**
  - **Is oriented only towards now, not future**
  - **Stops when difficulties arise**
- **Reacts to environment**



# Trainings should be based on:

- Action orientation
- Scientific rigor: Which means
  - prior studies on the importance of concepts for success – evidence based content
  - Scientific rigor of evaluation: randomized control group design
- Some theoretical understanding of the psychology of training: action principles, the function of the trainer, action feedback, adequate examples, everything is oriented towards tasks of trainees

# What does action training mean?

- First day: Start an informal business in groups of 5 – on any opportunity; the business should be closed down after 3 months
- Small starting capital that had to returned after 3 months
- Action training means to start with actions, and to discuss actions, feedback, to make mistakes and learn from them and to become better and better
- No top down lectures – all ,teaching‘ is related to their practice right now (their entrepreneurial unit)
- Principles of action – readily understandable but still need for training
- Relate everything to the actions in the everyday environment of trainees

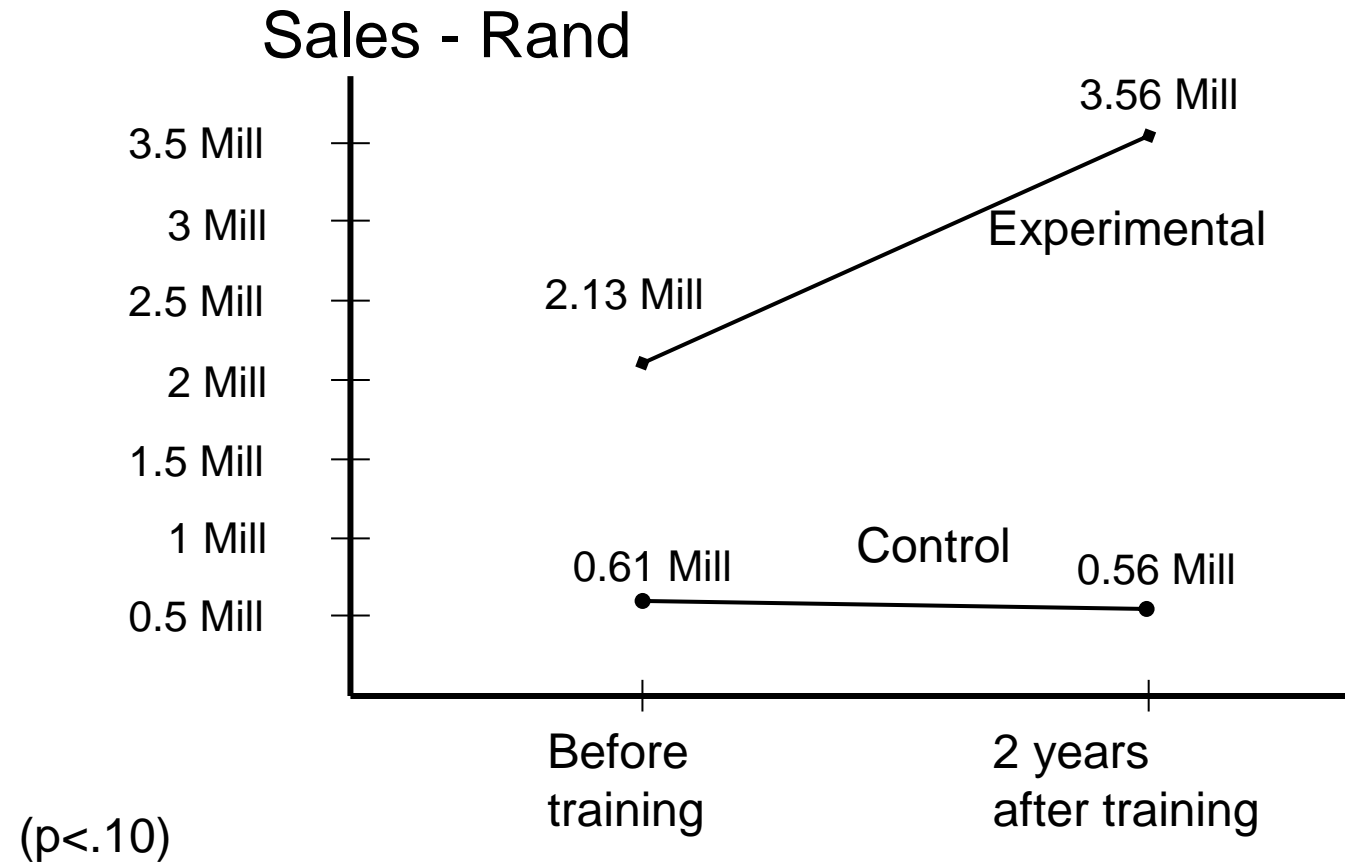
# What does rigorous evaluation mean?

- Just like medicine: You want to know that covid vaccination works before you take it – how do you know that it really works?
- You do an experiment
- You get interested participants (ITT – intent to treat) - in our case students - try to recruit as broadly as possible)
- Random assignment to treatment (medicine for COVID – in our case training) and
- And control group
- Random assignment is central and the groups must be large enough of ITT participants - DISCUSS

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# Training Study in South Africa





## Randomized Controlled Trials: RCT

- 1) Randomized: Equal starting point for all
- 2) Controlled: Control group = no effective vaccine often a Placebo  
(in our case no training)
- 3) Treatment:= vaccine  
(In our case personal initiative training)
- 4) Discuss the magic of randomization for large number of participants (and how it is done)



# Action and Action-Regulation in Entrepreneurship: Evaluating a Student Training for Promoting Entrepreneurship

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**STEP training influences the  
career choices to become  
entrepreneur in Africa**  
**STEP training is used in 11  
countries, at 22 Universities and  
with ca 17,000 BA-students shortly  
before graduation and ca 800 high  
school students**



**Prof. Michael M. Gielnik**

Abidjan Prof Frese

*Action plays a central role in entrepreneurship and entrepreneurship education. Based on action regulation theory, we developed an action-based entrepreneurship training. The*

# Key factors for start-up: confidence, identifying opportunities, action, planning

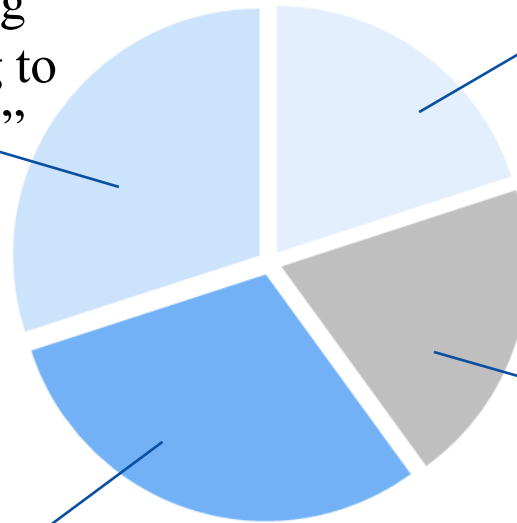
- What factors explain why some students start a business while others do not?

Entrepreneurial Planning  
“What are you planning to do to start the business?”

Identifying Opportunities  
“How many opportunities for creating a business have you identified / pursued in the last three months?”

Entrepreneurial Action  
“So far, did you do anything to get the business up and running?”

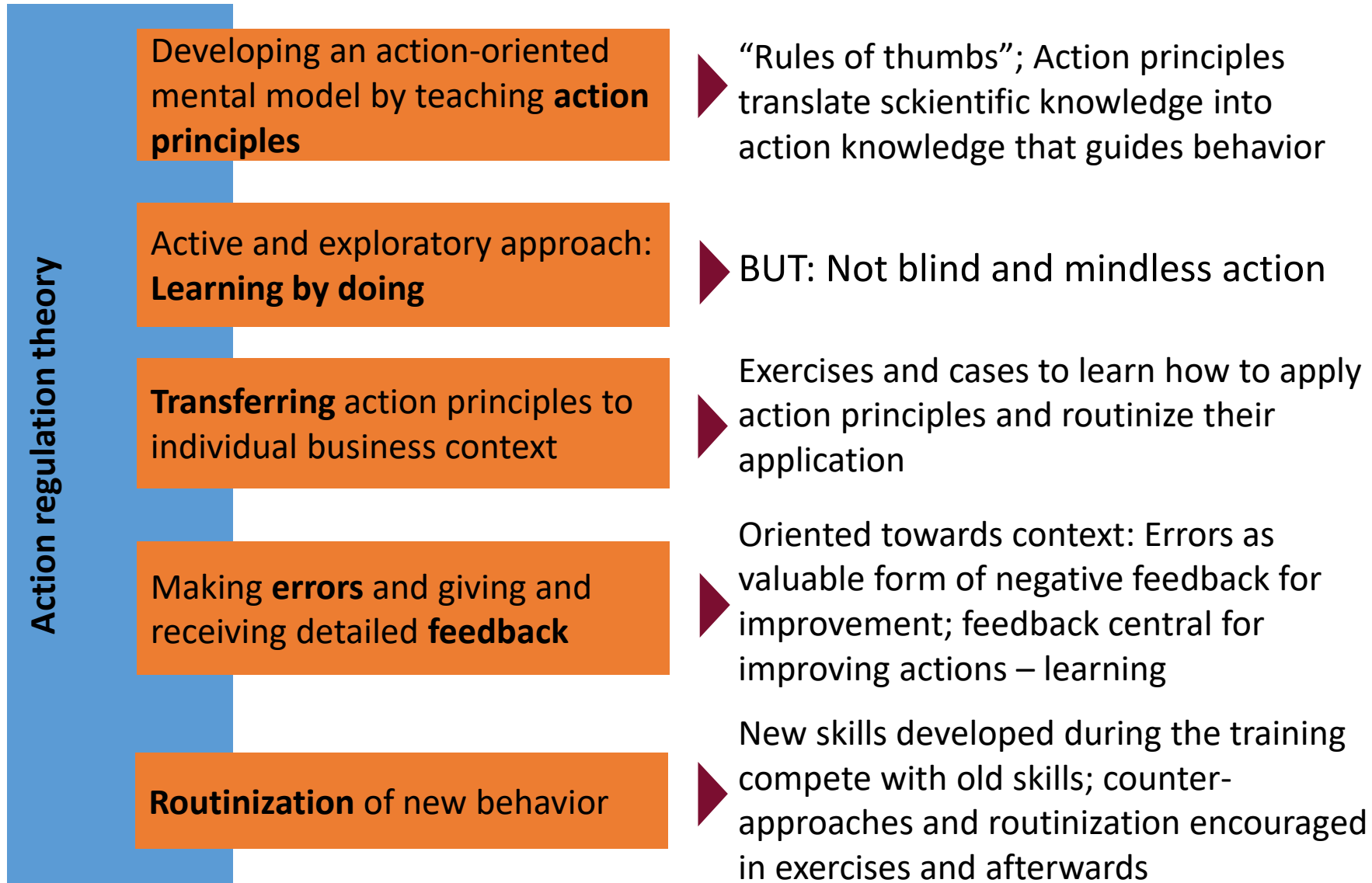
Entrepreneurial Confidence  
“How confident are you that you can [different entrepreneurial tasks] well?”



# Trainings should be based on:

- Action orientation
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# Key principles of Action-Regulation Theory for Training



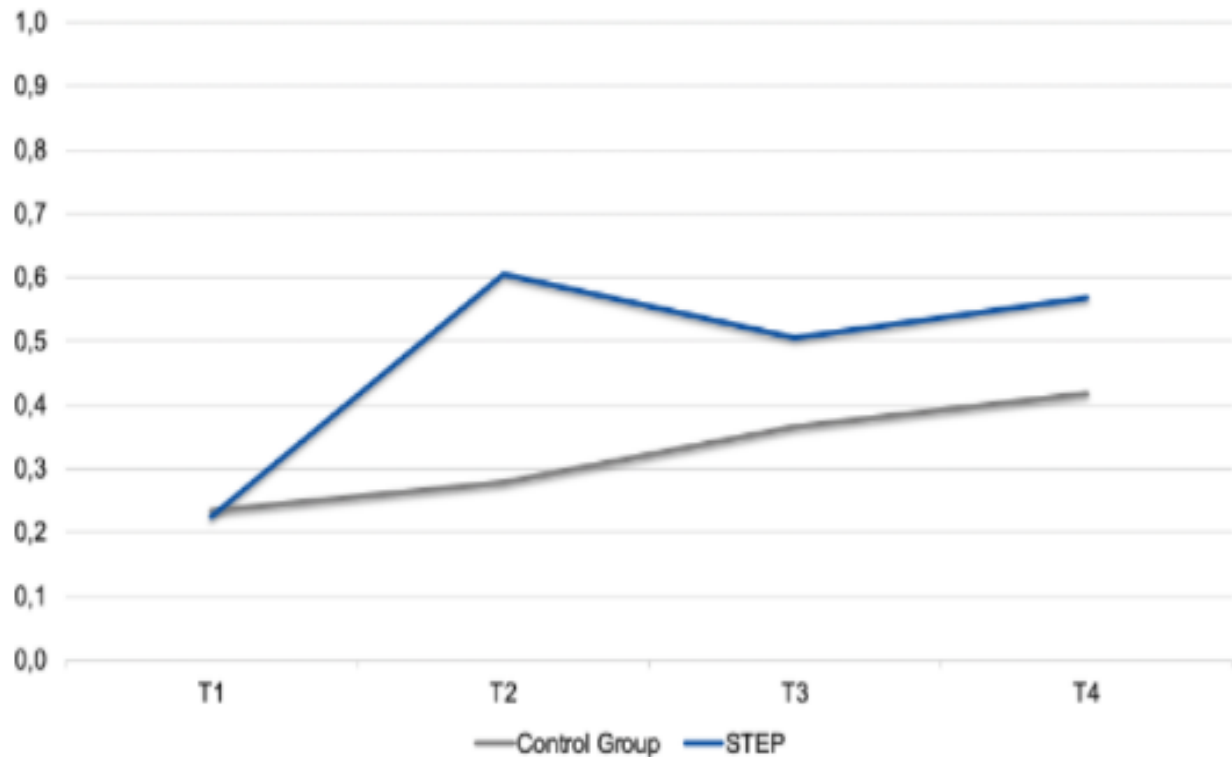
# Some Empirical Results of Training

# The STEP training creates entrepreneurs

<https://step-training.com/the-impact/#1526383833478-69d6d529-4e63>) T1= 9000/ T4 =1164, 712 TG 452 CG

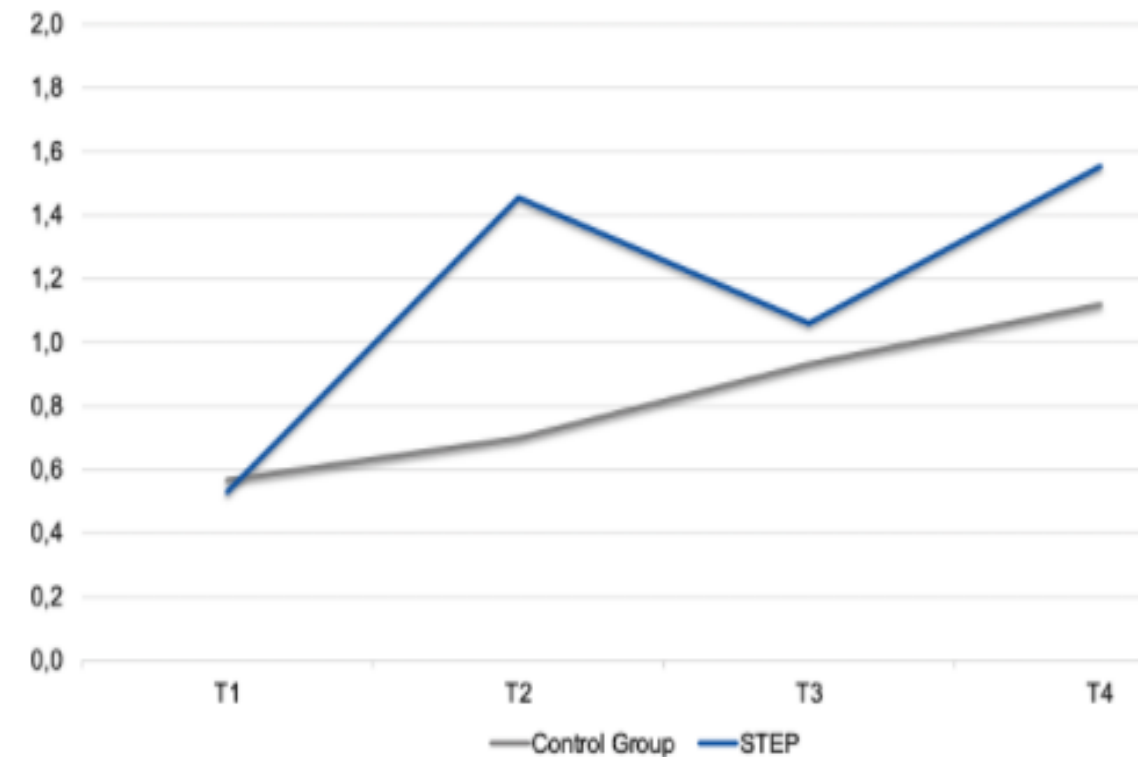
## More business creation

STEP students own 38% more businesses one year after the training.



## Additional job creation

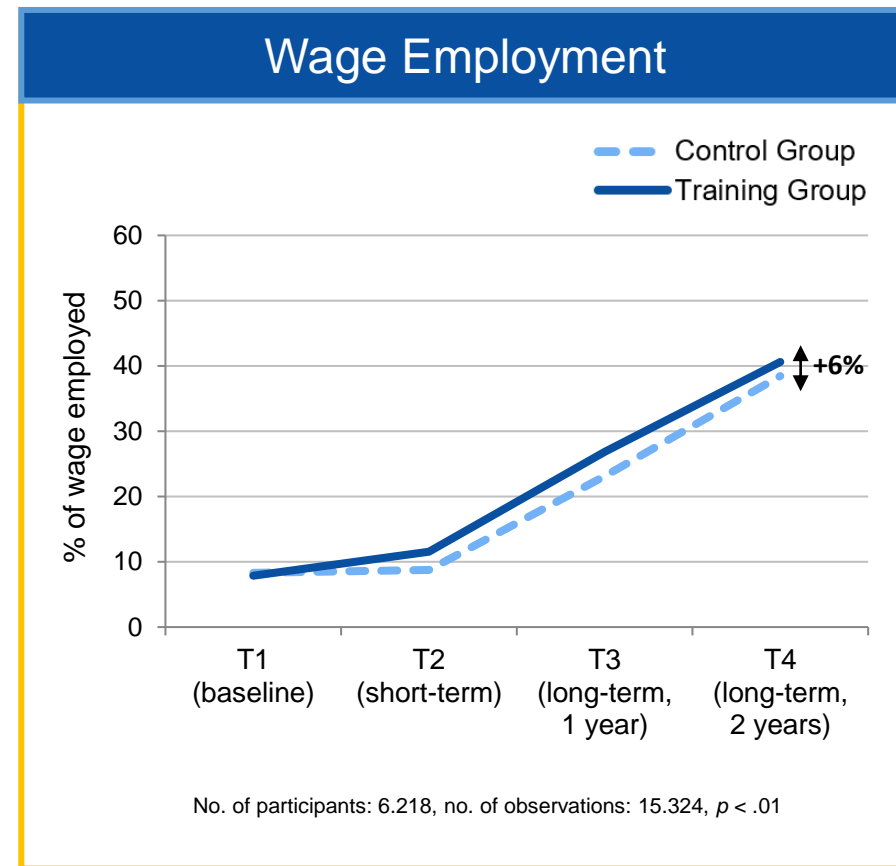
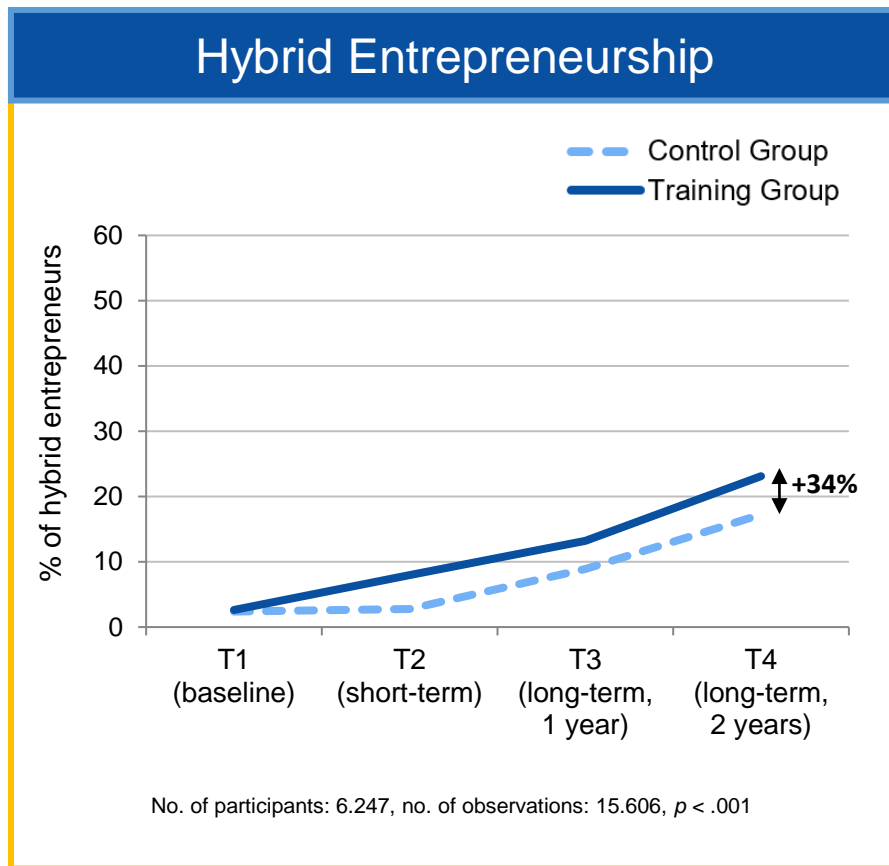
STEP students create 39% more jobs two years after the training.





# 3. STEP is Scientifically Evaluated

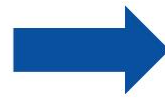
STEP participants pursue an entrepreneurial career in addition to wage employment.





## Janet was a typical non-entrepreneur. STEP changed her attitude towards entrepreneurship.

“I never thought of becoming a business owner before the STEP training. This has **never been a real option** for me.”



“The training opened my eyes, it was a **turning point in my life**. I don't think any longer that entrepreneurship is a challenge that I cannot overcome”

“I was **very shy** and it was a big challenge for me approaching people. I thought I **won't be able to deal with all those challenges** you are facing when you are an entrepreneur.”



“I am **not shy anymore**,  
**I go to people,**  
**I talk to people.**”



**Janet is now a successful portfolio entrepreneur and has started an IT consultancy 24 months after STEP.**



Abidjan Prof Frese

# Success Case

- **produced cheap aluminum saucepans of low quality - a highly competitive market in Kampala.**
- **After training, he decided to switch to higher quality production to target better paying customers and to be different from competitors.**
- **He went to National Bureau of Standard (NBS) to have his saucepans tested.**
- **Received detailed feedback on quality deficiencies**
- **He improved and improved**
- **finally certified by the NBS**
- **With the quality certificate, he approached a wholesaler**
- **He got a large order - worth about 10 million Ugandan Schillings → kept him and three cooperating firms busy for more than one year**



# An Example of What Can Go Wrong

## **Business Edge Training (N=500)**

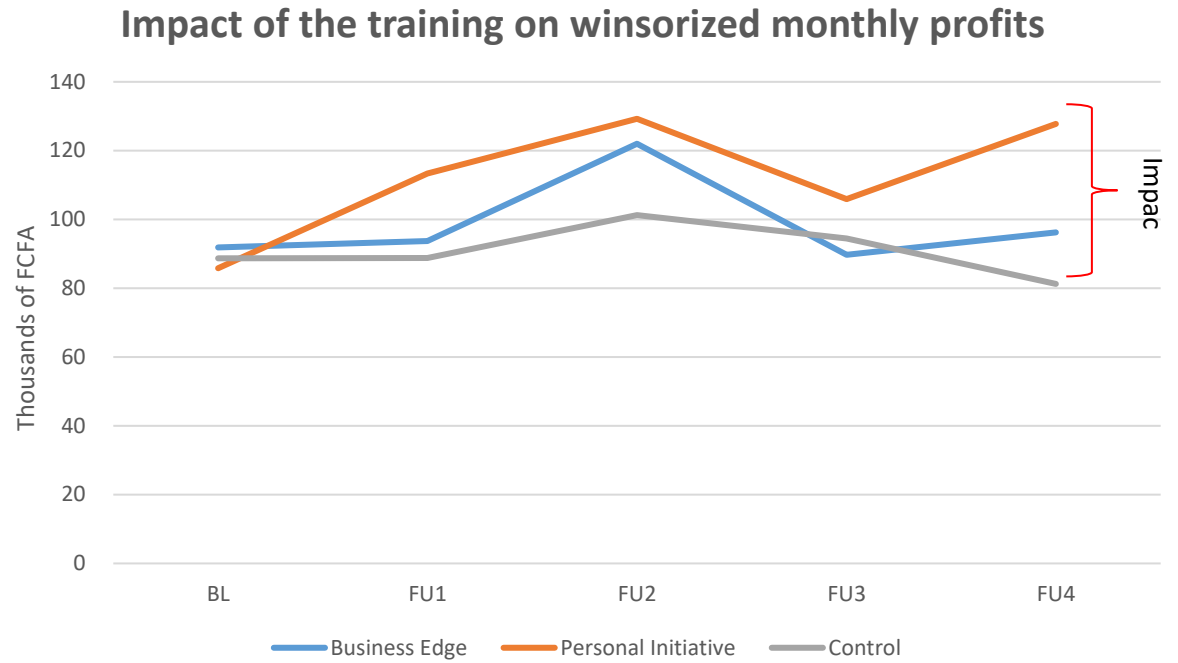
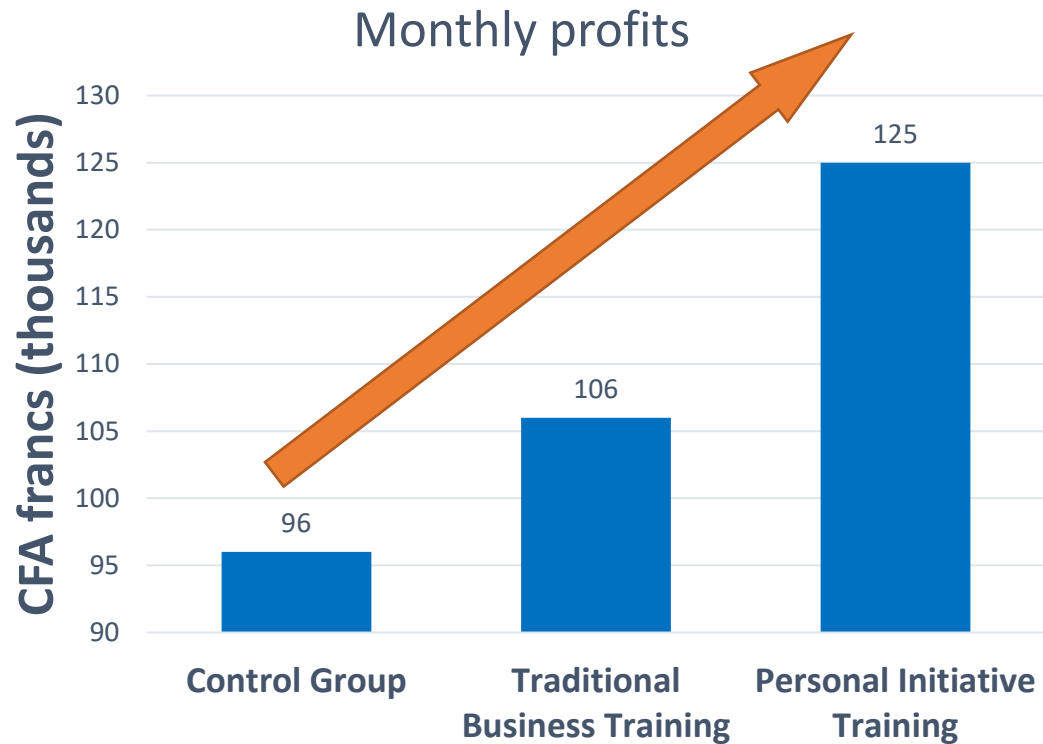
- Accounting and financial management (e.g., records, calculating costs, cash flow management)
- Commercial management and marketing (e.g., importance of customer service, techniques of serving customers better, 4 Ps of marketing, market segmentation, commercial negotiations)
- Human resource management (e.g., understand taxes and the advantages of formalizing business)

## **Personal Initiative Training (N=500)**

- Self-starting (e.g., identify self-starting behavior and differentiate from reactive behavior; identify reactive behavior)
- Innovation and opportunity identification (e.g., identify own strengths, interests, and resources to generate new ideas, look for unusual information)
- Goal setting (e.g., high and challenging; SMART-PI)
- Financial planning: Bootstrapping, unusual sources of finance, reduce reliance on outside resources (e.g., banks, micro-credits)
- Feedback (e.g., use different sources of feedback, actively look for negative feedback)
- Overcoming barriers (e.g., find creative way to deal with them, do not give up)
- Personal Project: Develop a project for your business of the next 4 – 6 months, sign a behavioral contract with each other to implement training principles)

## **No-Training Control Group (N=500)**

# Personal Initiative Training

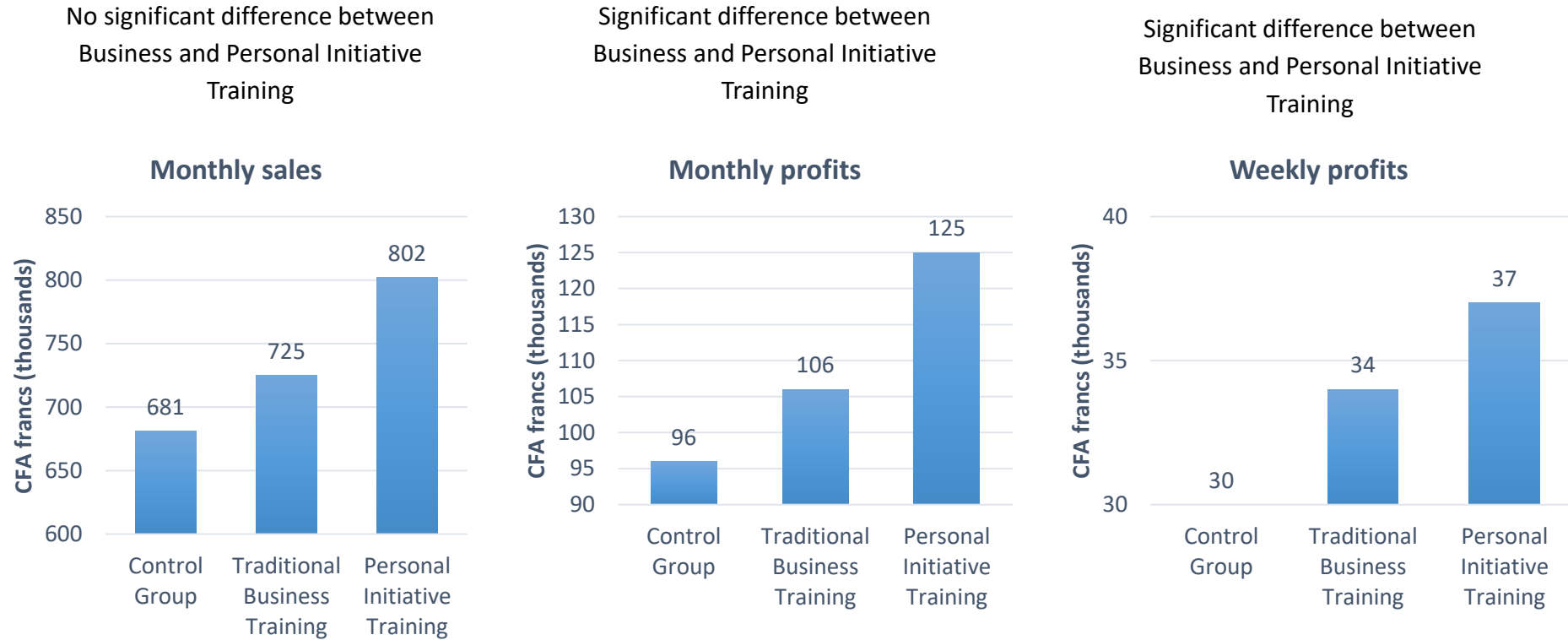


PI training increased profits by 57% 2 years after the training

**PI training increased profits by 57% 2 years after the training**

<sup>1</sup> Campos, F., Frese, M., Goldstein, M., Iacovone, L., Johnson, H. C., McKenzie, D., & Mensmann, M. (2017). Teaching personal initiative beats traditional training in boosting small business in West Africa. *Science*, 357(6357), 1287-1290.

# Figure 1: Impact of Training Programs on Profitability and Sales



	Monthly sales	Monthly profits	Weekly profits
Control Group	681	96	30
Traditional Business Training	725	106	34
Personal Initiative Training	802	125	37

Abidjan Prof Frese

# Teaching personal initiative beats traditional training in boosting small business in West Africa

Francisco Campos,<sup>1\*</sup> Michael Frese,<sup>2,3\*</sup> Markus Goldstein,<sup>1\*</sup> Leonardo Iacovone,<sup>1\*</sup>  
Hillary C. Johnson,<sup>1\*</sup> David McKenzie,<sup>1\*</sup>† Mona Mensmann<sup>2\*</sup>

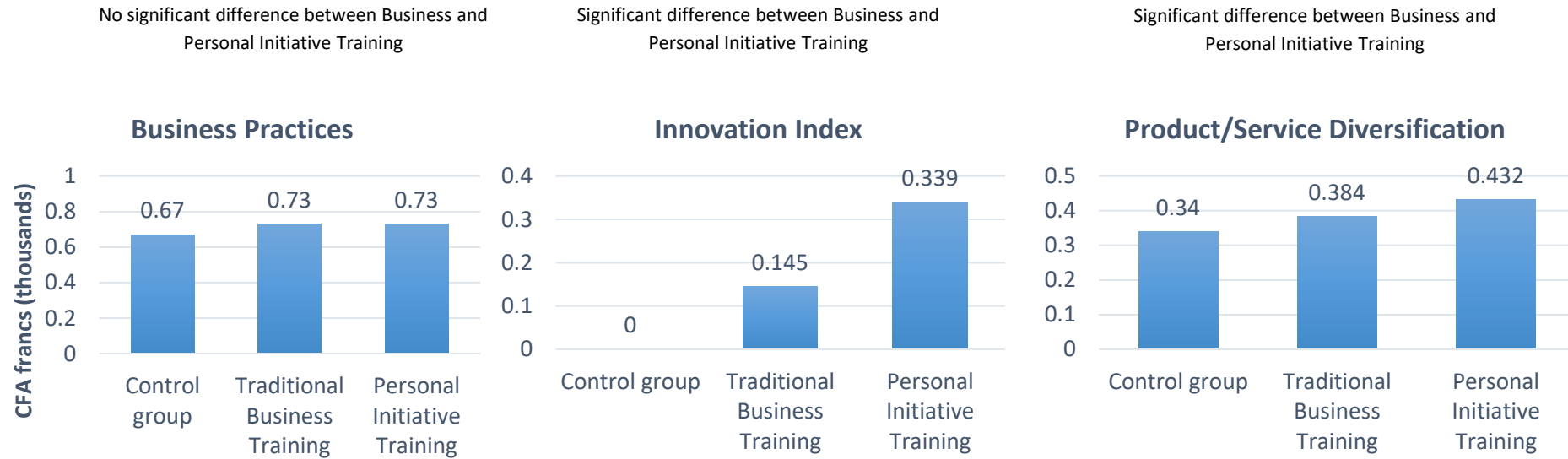
Standard business training programs aim to boost the incomes of the millions of self-employed business owners in developing countries by teaching basic financial and marketing practices, yet the impacts of such programs are mixed. We tested whether a psychology-based personal initiative training approach, which teaches a proactive mindset and focuses on entrepreneurial behaviors, could have more success. A randomized controlled trial in Togo assigned microenterprise owners to a control group ( $n = 500$ ), a leading business training program ( $n = 500$ ), or a personal initiative training program ( $n = 500$ ). Four follow-up surveys tracked outcomes for firms over 2 years and showed that personal initiative training increased firm profits by 30%, compared with a statistically insignificant 11% for traditional training. The training is cost-effective, paying for itself within 1 year.

Teaching personal initiative beats traditional training in boosting small business in West Africa

By Francisco Campos, Michael Frese, Markus Goldstein, Leonardo Iacovone, Hillary C. Johnson, David McKenzie, Mona Mensmann  
***Science* 357 (6357), 1287-1290**

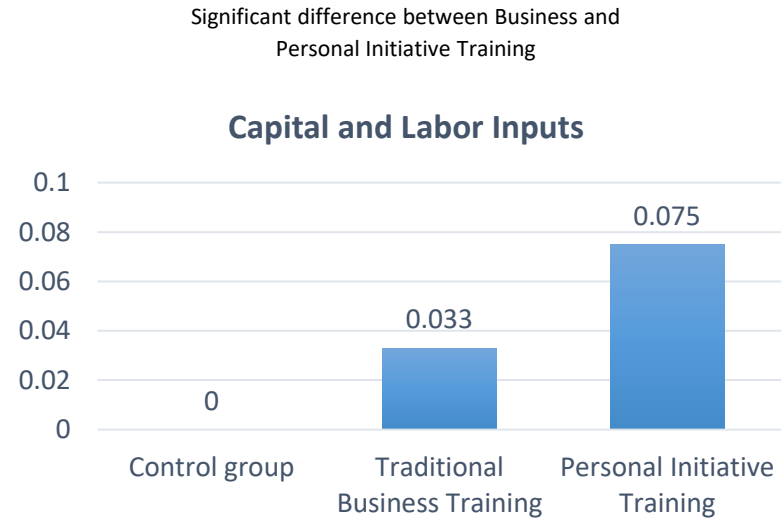
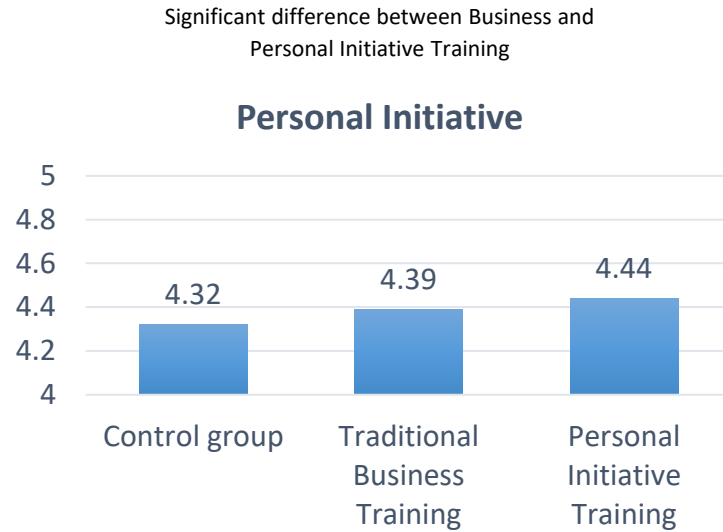


Figure 2.1: Mechanisms through which training operates



	Business Practices	Personal Initiative	Capital and Labor Inputs	Innovation Index	Product/Service Diversification
Control group	0.67	4.32	0	0	0.34
Traditional Business Training	0.73	4.39	0.033	0.145	0.384
Personal Initiative Training	0.73	4.44	0.075	0.339	0.432

Figure 2.2: Mechanisms through which training operates



	Business Practices	Personal Initiative	Capital and Labor Inputs	Diversification
Control group	0.67	4.32	0	0.34
Traditional Business Training	0.73	4.39	0.033	0.384
Personal Initiative Training	0.73	4.44	0.075	0.432

# A few thoughts on Training so far

- Why is it so important to do randomized controlled experiments (or RCT – randomized controlled trial or treatment)?
  - You do not know where differences lie in different groups
  - You may have a selection effect
  - The control group may actually decrease (because of objective situations) – the environment must be kept the same for experimental and control group
- Why does a training work: The function of mediators
- PI training does not always work
  - E.g. In one study trainers were not very good
  - Combine business training and PI training? It may not work well: Why?
  - Combine different intervention with PI (e.g., micro-credits or farming knowledge) – works possibly extremely well (Mozambique project), also data from Zimbabwe on formal and PI
  - Not known whether good for bigger sized firms – but PI organizational culture is related to business success (a bit later)
- Why so important to be action oriented in the training – examples of normal entrepreneurship training in Business Schools (Meta-analysis by Martin, B. C., McNally, J. J., & Kay, M. J. (2013). Strong correlation between entrepreneurship education and intent to start a company: BUT issue of causality: If they controlled for intent to start at the beginning of their studies, there was not more relationships between entrepreneurship education and intention to start. In other words: Those who wanted to be entrepreneurs participated but there was not effect of education on changes in intention.)
- How long does a PI training work? – complex relationships – 7 year follow-up in Togo

Country	N (PI, control group)	Design and Results	Explanation of Results	(pre-)publication
South Africa I	27 + 30 Small business owners	Non-randomized group design: 2 groups were compared - PI training, no-treatment group; marginally significant interaction effect (group x time) indicating that PI training had a marginally significant effect on sales two years after the PI training (ca 50% more sales than before and in higher in comparison group), 3 follow-ups; 2 y	Goal-setting knowledge, PI, innovation, proactive planning and goal setting increased more strongly in the PI training group than in the control group	Solomon, G., Frese, M., Friedrich, C. & Glaub, M. (2013). Can personal initiative training improve small business success?. <i>Entrepreneurship and Innovation</i> , 14(4), 255–268.
Uganda	47 + 53 small business owners	RCT 2 groups were compared - PI training, control group; sales level increased for the PI training group from before the training to one year after the training, sales levels for control group decreased (20% difference); number of employees increased for the PI training group from before the training to one year after the training, number of employees decreased for the control group (ca 50% difference); 3 follow-up measurements (1y)	Personal initiative behavior fully mediated the effect of PI training on business success	Glaub, M. E., Frese, M., Fischer, S. & Hoppe, M. (2014). Increasing Personal Initiative in Small Business Managers or Owners Leads to Entrepreneurial Success: A Theory-Based Controlled Randomized Field Intervention for Evidence-Based Management. <i>Academy of Management Learning &amp; Education</i> , 13(3), 354–1379.
Germany	36 + 97 small business owners	Non-randomized parallel group design: 2 groups were compared - PI training, large non-equivalent comparison group; Growth in number of employees was higher in the PI training group than in the control group (significant interaction between groups and time); for the PI training group the number of employees significantly increased from before the training to one year after the training (by 17%), for the control group there was no significant difference; one follow up measurement (1y)	PI training group showed higher degree of personal initiative after the training than before (not measured in the control group)	Frese, M., Hass, L. & Friedrich, C. (2016). Personal initiative training for small business owners. <i>Journal of Business Venturing Insights</i> , 5, 27–36.

<b>Togo</b>	500 + 500 + 500 small business owners, intent to treat	RCT: 2 groups were compared - PI training, control; PI participants' profit rate was significantly better than traditional business training and were 30% more successful than the control group; traditional business training was not significantly more successful than controls	More effort, more innovation, more PI in the PI training group; maybe interaction of PI and 4 coaching sessions by trainers	Campos, F., Frese, M., Goldstein, M., Iacovone, L., Johnson, H., McKenzie, D., & Mensmann, M. (2017). Teaching personal initiative beats traditional business training in boosting small business in West Africa. <i>Science</i> , 357, 1287–1290.
<b>Mexico</b>	Ca 2000 + 2000	RCT: 2 groups were compared - PI training combined with business literacy programm, control group (2 follow ups, 2 y); Ca 11-13% more profitability per week	Personal initiative increased in comparison to control group, it was correlated with profitability but was not a mediator	Iacovone, L. (2017). Complementing managerial training with soft skills: mid-term results. Retrieved from Washington Talk:
<b>Ethiopia I</b>	747 female small business owners somewhat successful	RCT: 3 groups were compared - PI training, Holistic business training, control group; no statistically significant effect of any training on business outcomes and no statistically significant difference between the treatment arms	Trainers were not applying the action training approach of the PI training adequately; therefore a new emphasis on better trainer behavior needs to be followed	Wolf, K., Papineni, S., Alibhai, S., Buehren, N., Frese, M., & Goldstein, M. (2020). Training to take action: Towards understanding the role of trainers. Univ of Lueneburg, unpubl. Manuscript, submitted.
<b>Ethiopia II</b>	400+ 400 female small scale business owners	RCT: DOT training (strong similarities to PI training) versus control group; significant effect to DOT training on psychological outcomes and average monthly profits	In contrast to other training in Ehtiopia, DOT trainers were highly motivated university students; suggestive evidence that trainers' own entrepreneurial experiences matter	Alibhai, S., Buehren, N., Frese, M., Goldstein, M., Papineni, S., Wolf, K., (2019). Full Esteem Ahead? Mindset-Oriented Business Training in Ethiopia. Policy Research Working Paper Np. 8892.
<b>Jamaica</b>	315 + 315 + 315 small business owners	RCT: 3 groups - PI training with a focus on perseverance, PI training combined with business skills training, control group; only PI training with perseverance had positive and statistically significant effects on sales and profits index after three months (about 20% improvement); further analysis showed that the PI training's positive short term effects were only present for male training participants; after twelve months there were no statistically significant effects for any training (2 follow ups; 1 y)	Short term positive effects of PI training were mainly mediated by business practices; no effects on PI; in the combined training, the messages may be muddled because of the emphasis on two different approaches (good business practices and PI)	Ubfal, D., Frese, M., Arraiz, I., Maffioli, A., Beuermann, D. & Verch, D. (2019). The Impact of Soft-Skills Training for Entrepreneurs in Jamaica. IZA Discussion Paper No. 12325.

<b>Mozambique</b>	760 + 740 + female peasants, mainly illiterate	RCT: business training plus agricultural training; agricultural training plus PI, all with follow up coaching, control group (500) – group with PI and agricultural training control group highest success	First results show that PI training had a positive effects in comparison to the other two on starting new businesses next to farming	Montalvao, J., Campos, F., Boxho, C., Goldstein, M., Frese, M., Gielnik, M., Scharweit, B., Carneiro, P.
<b>Democratic Republic of Congo</b>	1200 + 1200 + 1200 female business owners	RCT: 3 groups are compared – PI training without husband, PI training with husband, control group	No results yet	Ubfal, Vaillant, Gruver, Hafner, M., Erning, E., Frese, M., Goldstein, M.
<b>South Africa II</b>	400 + 400	RCT: 3 groups are supposed to be compared – PI training + coaching, PI training, control group	application	Meyer, I., du Plessis, M., Mamabolo, A., Motshedisi, M., Rutsch, K., Frese, M., Brüning, T.
<b>Ecuador</b>	Ca 20,000 school children	RCT: comparison between PI, negotiation, scientific training and placebo trainings and combinations online PI training compared to other training programmes (negotiation, scientific training, and placebo conditions (Spanish, English)), also role model intervention	Results will soon be analyzed	Side project on time use of school children during Covid (not PI related): Asanov, I., Flores, F., McKenzie, D., Mensmann, M., & Schulte, M. (2021). Remote-learning, time-use, and mental health of Ecuadorian high-school students during the COVID-19 quarantine. World Development, 138, 105225.
<b>France</b>	Unemployed job seekers; sample size not yet decided	RCT – comparing PI training and negotiation training and group without training (all participants will have completed the “Activ Crea” programme a program supposed to help unemployed to become entrepreneurs)	Design phase	NA
<b>Germany</b>	Solo-self-employed in Germany, N not yet decided	RCT comparing PI group with non-treatment control group	Design phase	NA
<b>Bangladesh</b>	Refugees in the Kutupalong refugee camp; N not decided	RCT comparison PI training with effectuation training and non-treatment control group;	In design phase	NA

# Mozambique partly PI training and partly STEP for developing new enterprise ideas

## Personal Initiative Training (STEPPI)

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### Group training sessions

9 weekly group sessions of 4 hours: LEPF, discussions, case studies, shared experiences

### 1<sup>st</sup> Phase (4 sessions)

Focused on entrepreneurship in farming to complement agricultural extension program

### 2<sup>nd</sup> Phase (5 sessions)

Greater emphasis on off-farm entrepreneurship to promote income diversification and growth

# Adaptations in Mozambique

Key differences Togo - Mozambique

## Level of Literacy

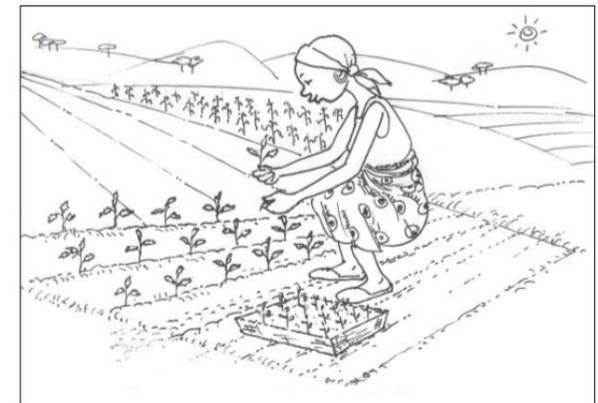
- Mostly literate vs high number of illiterates (76%)
- Adaptations:
  - all writing exercises were taken out (but: LEPF!)
  - results of the most important exercises were written down by the trainer on a “Personal Profile Table”
  - worked with an illustrator and developed the story of a local woman (Anangoso) who showed PI in various phases of her life



## Business Sectors

- All sectors but agriculture vs agriculture
- Adaptation: Training material adapted to farming context

### Experimenting



Anangoso also knew that it is important to experiment at a small scale and not to risk too much when trying to plant new cash crops. And so she only started to plant tomatoes on a small part of her field.



AE= Agricultural Extension – training; PI = Personal initiative Training

# Agronomic and Agribusiness Practices

Table: Agronomic Practices (Follow-up II)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Improved seeds (%)	Fertilizers (%)	Pesticides (%)	Mulch (%)	Irrigation (%)	Crop rotation (%)	Dry season (%)
AE plus PI	.161*** (.042)	.108** (.043)	.128*** (.032)	.096*** (.020)	.097** (.043)	.118*** (.037)	.095** (.042)
AE alone	.012 (.038)	-.032 (.042)	.006 (.025)	.027 (.021)	-.039 (.042)	.028 (.034)	-.028 (.040)
Control group mean	.274	.462	.138	.088	.478	.313	.515
Difference <i>p</i> -value	.000	.001	.000	.004	.001	.020	.003

Table: Agribusiness Practices (Follow-up II)

	(1)	(2)	(3)	(4)	(5)	(6)
	Cash crops (#)	Production plan (%)	Market research (%)	Savings (%)	Loans (%)	Xitique (%)
AE plus PI	.577*** (.115)	.086*** (.026)	.082** (.033)	.082** (.036)	.112*** (.035)	.074** (.029)
AE alone	.156* (.089)	.036 (.026)	.049 (.030)	.022 (.033)	-.009 (.033)	.021 (.024)
Control group mean	.952	.709	.544	.395	.307	.067
Difference <i>p</i> -value	.001	.061	.306	.101	.000	.077

# Personal Initiative and ESE

ESE= Entrepreneurial Self-efficacy

Table: Mindset

	Personal Initiative		ESE	
	(1)	(2)	(3)	(4)
	Follow-up I	Follow-up II	Follow-up I	Follow-up II
AE plus PI	.281*** (.056)	.121 (.077)	.248*** (.077)	.311*** (.067)
AE alone	.086 (.058)	.109 (.076)	.018 (.085)	.108 (.066)
Control group mean	-.000	.000	.000	-.000
Difference <i>p</i> -value	.002	.869	.003	.005

Table: Off-farm Businesses (Follow-up II)

	(1) Wife-owned (%)	(2) Husband-owned (%)	(3) Jointly-owned (%)
AE plus PI	.066*** (.019)	.026* (.014)	-.028 (.019)
AE alone	.008 (.018)	.010 (.014)	-.020 (.019)
Control group mean	.087	.050	.089
Difference <i>p</i> -value	.009	.269	.637

Table: Monthly Incomes and Expenditure (Follow-up II)

	(1) Value harvested	(2) Business profits	(3) Expenditure
AE plus PI	314** (149)	455*** (156)	194* (101)
AE alone	54 (132)	159 (102)	93 (91)
Control group mean	1,947	365	1,208
Difference <i>p</i> -value	.091	.064	.351

B. Scharweit: Enhancing Women Farmers' Personal Initiative in Rural Mozambique, talk Dec 18, 2022 - KINGSTON, JAMAICA

# Map of Worldbank on the use of PI training across the world Dec 2021



Source: GIL Influence Sketch 2019-2020

# Additional Slides



Can we predict and produce Black Swan type of success? No. Because of the power curve law in entrepreneurship and because of windsorizing data

- A theoretical explanation dynamic system and critical point of stable disequilibrium
- sandpile: built up, similar grains of sand, when dropped one-by-one, have differential effects—most grains dropped only move one or two grains on the pile
- A few grains have extreme cascading effects, moving hundreds of grains.
- Measured over time, the sizes of all these effects are distributed according to a power law.
- at a critical point, a single new input can cause dramatic change
- addition of one input in a startup (e.g., a company adding a star employee, the presentation of a business plan in Silicon Valley instead of in a university classroom) can sometimes cause a nonlinear avalanche of outcomes.
- increased likelihood of these extreme “black swan” events.”

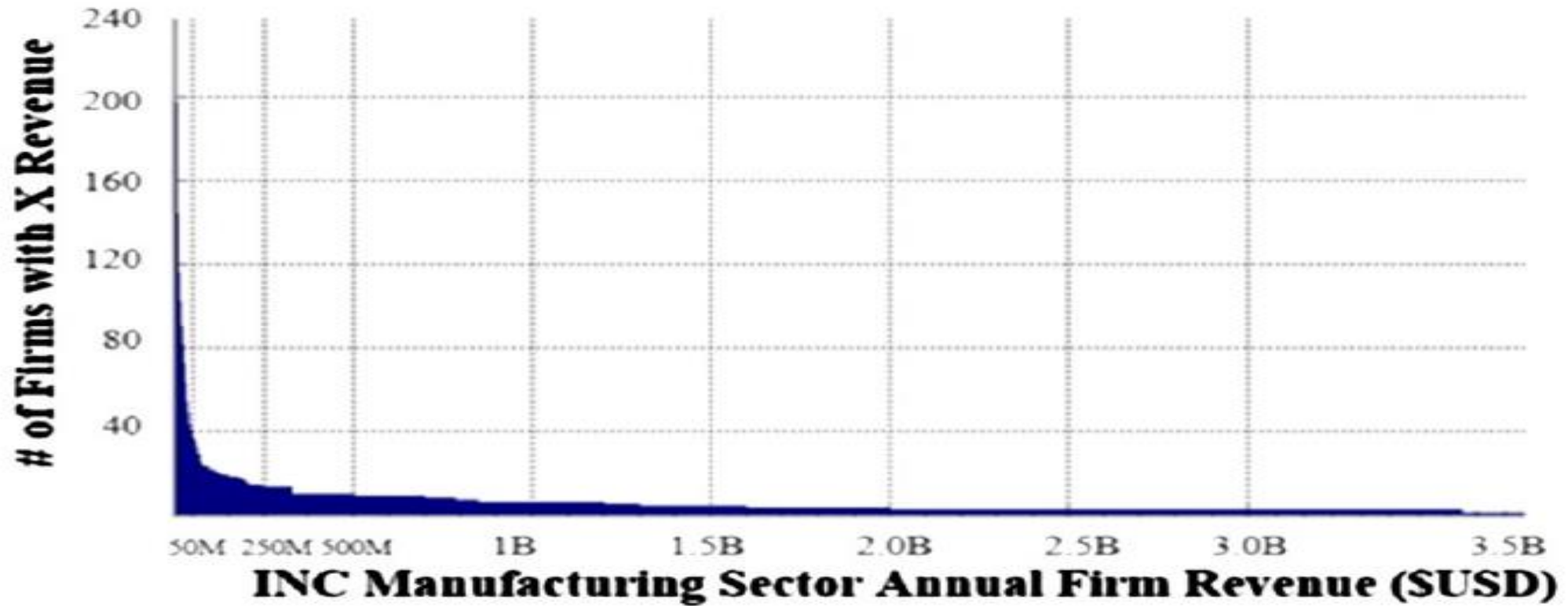
Can we predict and produce Black Swan type of success? No. Because of the power curve law in entrepreneurship and because of windsorizing data

A “theoretical explanation for the presence of PL distributions is Bak and Chen's (1991) self-organized criticality (SOC), which describes a dynamic system that has built up to a critical point of stable disequilibrium. This model is best represented by a sandpile: once the pile has built up, similar grains of sand, when dropped one-by-one, have differential effects—most grains that are dropped only move one or two grains on the pile, while a few grains have extreme cascading effects, moving hundreds of grains. Measured over time, the sizes of all these effects are distributed according to a power law. Thus, when a system is positioned at a critical point, the addition of a single new input can cause dramatic change. In entrepreneurial terms, for a company poised in SOC, the addition of one input (e.g., a company adding a star employee, the presentation of a business plan in Silicon Valley instead of in a university classroom) can sometimes cause a nonlinear avalanche of outcomes. Going further, Newman (2005) showed that in these SOC systems, there is an increased likelihood of these extreme “black swan” events.”

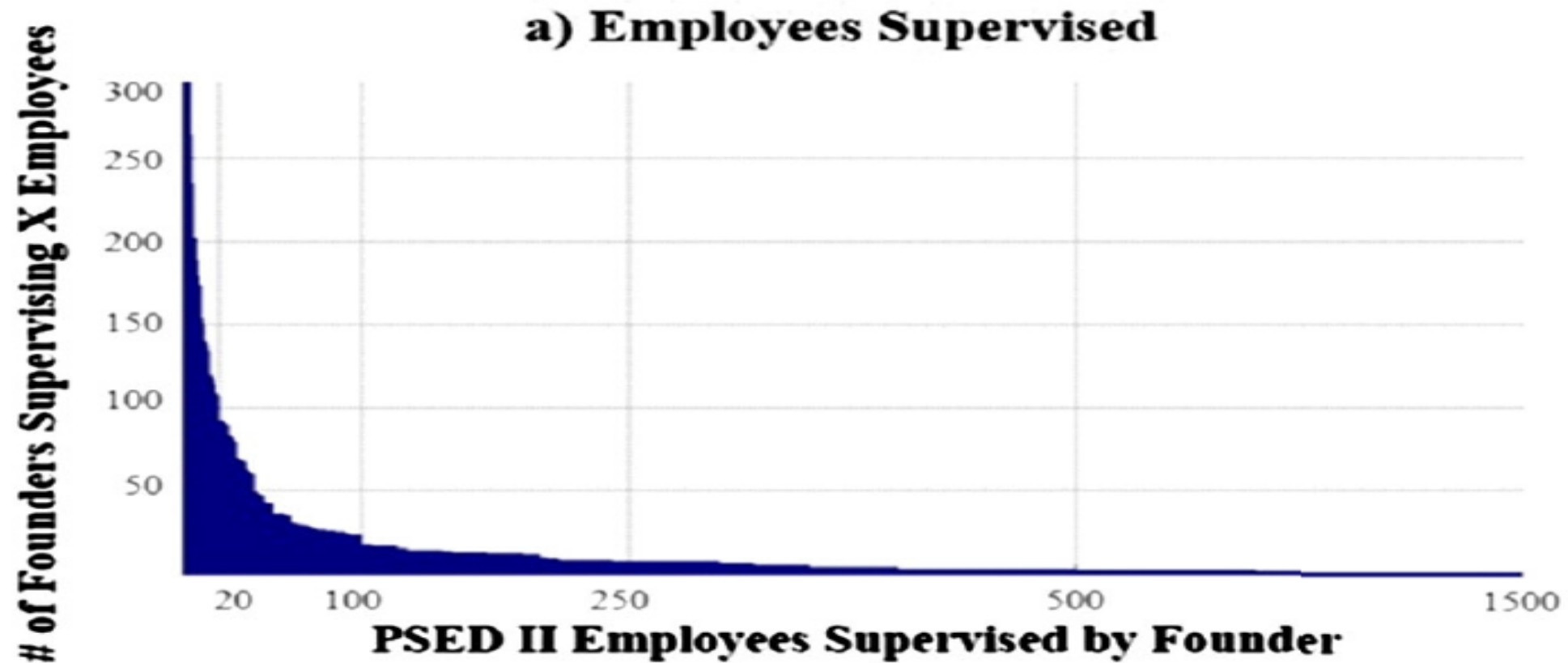
Crawford, G. C., Aguinis, H., Lichtenstein, B., Davidsson, P., & McKelvey, B. (2015). Power law distributions in entrepreneurship: Implications for theory and research. *Journal of Business Venturing*, 30, 969-713. p.12 of prepub

From Crawford et al.

### e) Manufacturing Sector



Crawford, G. C., Aguinis, H., Lichtenstein, B., Davidsson, P., & McKelvey, B. (2015). Power law distributions in entrepreneurship: Implications for theory and research. *Journal of Business Venturing*, 30, 969-713





# **The Opposite of Personal Initiative: Reactive Action Strategy of Business Owner**

- Little active preplanning
- Low level of personal initiative
- Low level of active search for opportunities
- Strong amount of mimicking others
- Often rather helpless: I do what others do as well

# **Personal Initiative as Prototypical Active Behavior**

- **Self-starting**
  - **Future oriented**
  - **Overcoming barriers**
- **Changing the environment**

## **The Opposite of Personal Initiative Is the Reactive Approach:**

- **Does what one is told**
  - **Is oriented only towards now, not future**
  - **Stops when difficulties arise**
- **Reacts to environment**



# **The Syndrome of Personal Initiative Consists of 3 Types of Action Characteristics: Self-starting, Future Orientation and Overcoming Barriers**

## **Meaning of Self-Starting**

- **Self-starting is different from the “normal” or obvious approaches**
- **Doing the obvious → self-starting is low**
- **Something new and innovation**

## **Meaning of future orientation**

- **Scanning for opportunities and problems that may appear in the future**
- **Preparing now for dealing with future problems and exploiting future opportunities**
- **Actively seeking feedback to enhance long term usefulness of products/services**

## **Meaning of Overcoming Barriers**

- **Protecting one’s goals and adapting one’s plans to overcome problems on the way towards the goal**
- **Active dealing with problems instead of giving up**
- **Dealing with own anxieties and frustrations – self-regulation**

**Table 1.** Crossing action regulation theory and personal initiative theory to develop action principles for the personal initiative training (examples of action principles and learning goals provided)

	<b>SELF-STARTING</b>	<b>LONG TERM ORIENTATION</b>	<b>OVERCOME BARRIERS</b>
<b>ACTION PLANNING/ EXECUTION</b>	<p><i>Action principle:</i> Make plans that allow you to flexibly react to situational demands!</p> <p><i>Underlying learning goal:</i> Entrepreneurs shall ensure that they can actively and flexibly react to market developments</p>	<p><i>Action principle:</i> Consider future opportunities and threats and integrate them into your plans!</p> <p><i>Underlying learning goal:</i> Entrepreneurs shall detect possible future conditions that might impact their planning</p>	<p><i>Action principle:</i> If you have to leave your plans due to barriers: Get back to them as quickly as possible!</p> <p><i>Underlying learning goal:</i> Entrepreneurs shall make sure that they do not permanently lose track of their plans in case of problems</p>
<b>MONITORING/ FEEDBACK</b>	<p><i>Action principle:</i> Ask former customers why they stopped buying your products!</p> <p><i>Underlying learning goal:</i> Entrepreneurs shall actively search for negative feedback as this reveals areas of improvement</p>	<p><i>Action principle:</i> Ask customers, competitors, and suppliers what they see as biggest challenges and opportunities for your business in the future!</p> <p><i>Underlying learning goal:</i> Entrepreneurs shall not only focus on the present state of their business, but also use every possible information to prepare for future business threats and opportunities</p>	<p><i>Action principle:</i> Don't give up in case you don't find the information that you need! Try other sources of feedback!</p> <p><i>Underlying learning goal:</i> Entrepreneurs shall persist frustration that arises from setbacks in feedback search</p>

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Mensmann, M., & Frese, M. (2017). Proactive behavior training: Theory, design, and future directions. In S. K. Parker & U. K. Bindl (Eds.), *Making things happen in organizations* (pp. 434-468). New York City: Routledge.

## You tube success stories

- We also have some testimonials on the positive impact of STEP from students who have participated in the STEP trainings:
- <https://www.youtube.com/watch?v=AiyF-R20ywQ>
- <https://www.youtube.com/watch?v=t9FFZF7X7RM>

### Selected Publications

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