

Leadership and Entrepreneurial Success of Bicolano Entrepreneurs

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Abstract

This research was conducted to respond to the issues surrounding the problem of low success rates and poor growth rates of entrepreneurial endeavors that supported the need for this study. This study aims to determine the profile of successful Bicolano entrepreneurs in terms of personal and social construct, economic construct, and their leadership style. It examines the dominant leadership style and the significant relation of entrepreneurs profile to their leadership style. The outcome of this study could be a source for developing a program to enhance the leadership skills of Bicolano Entrepreneurs to improve survival and growth of their entrepreneurial endeavors. A qualitative-descriptive correlation and quantitative research was used in the study. It included the gathering and presentation of information concerning entrepreneurs in micro, small, and medium scale business entrepreneurship. It also covered correlational analysis to establish the significant relation of the demographic profile of Bicolano entrepreneurs to its leadership style. The respondent of this study is limited to the top 25 micro small medium enterprise for each of the six provinces of Bicol region or a total of one hundred fifty (150) successful Bicolano entrepreneurs. This is based on the 2009 sales performance taken from the records of the provincial offices of the Department of Trade and Industry. The respondent consists of businesses with more than three (3) years of business operation and directly managed by a Bicolano entrepreneur. The instrument that was used in this study was a questionnaire and interview guide adopted from Avolio and Bass (2004), MLQ 5X. The questionnaire was designed to gather information concerning the construct and the leadership style. Significant conclusions from this study are that successful Bicolano entrepreneur displays a measurably higher tendency toward transformational leadership. That transformational leadership is significantly more correlated to the business performance such as the annual sales, business assets and number of employees at the present time than transactional leadership. To increase probability of success it is recommended to the entrepreneurial practitioners that leadership development be integral to their business planning activities.

Future studies might assess the relationship between the enterprise outcomes including extra effort, effectiveness, and satisfaction, which are also measured by the MLQ 5X, and entrepreneurial success. Furthermore, it might also consider asking the subordinates or employees to complete the MLQ 5X to identify leadership type of the entrepreneurs. Customer input might also provide a better picture for how well the entrepreneur is working in his/her enterprise.

Keywords: Leadership style, Bicolano entrepreneurs, entrepreneurial success, Bicol SME's

Introduction

“Leadership plays a key role in the survival and success of entrepreneurial ventures. The focus in small firms is on the entrepreneur, who is called on to build an organizational culture (Schein 1983), develop a strategic vision (Chandler 1994), and discover and take advantage of opportunities and resources in the firm’s environment” (Westley & Mintzberg 1989), Moore & Buttner (1997).

The survival rate of start-up businesses is quite small, and the proportion of those surviving that go on to success and long term sustainability is even smaller. Start-up companies

have always been an important part of the business community. The start-up companies are, however, associated with high risk of closure or failure to grow. In a study that suggested entrepreneurial CEOs needed new leadership competencies when their company’s focus shifts to long term stability, Swiercz and Lydon (2002) stated that, “There are many known reasons why hot start-ups fail-new technologies, new markets, new distribution channels, and inexperienced management teams – but an unquestionably critical factor is the leadership ability of the

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entrepreneurial CEO” (p. 380). D’Intino, Golsdby, Houghton, and Neck (2007) recognized leadership as a key ingredient in entrepreneurial success. Key to entrepreneurial success is leadership characteristics of entrepreneurs.

The present study is conceived to respond to the issues surrounding the problem of low success rates and poor growth rates of entrepreneurial endeavors. It attempts to determine the profile of successful Bicolano entrepreneurs in terms of personal and social construct, and economic construct. This also identifies the leadership style of successful Bicolano entrepreneurs and the relationship of such leadership styles to the profile of the entrepreneurs. The socio-economic benefit of this research provides knowledge to enhance entrepreneurial survival and growth. According to Ireland, Reutzell, and Webb (2005), it was the recognition of the importance of entrepreneurial endeavors that promoted an increase in academic interest in entrepreneurship research. Recognizing the value of academic discourse, Schramm (2005) emphasized entrepreneurship’s importance to the business and economic communities and called for “improved research to meet the needs of informed discourse and decision-making”. SME’s are so vital to the National economy, especially in generating employment, that it is surprising why only a small number of highly educated people become interested in it. It could be that the chance of running a successful SME is marginal. Gasse (1990) states: “Most authors agree that one of the principal causes of small business bankruptcy is the lack of management skills. In effect, management skills are important to the survival of the new firm.” It therefore necessitates prudent analysis of certain leadership factors that contribute to entrepreneurial success. Needed is a research that tests linkage of specific leadership style with entrepreneurial success. The present research may add to the body of knowledge in the discipline of leadership and aid in designing programs to enhance the leadership skills of entrepreneurs to improve survival and growth rate of entrepreneurial endeavors.

Conceptual Framework

The concept of entrepreneurial success has been studied mainly from the environmental perspective [(e.g. economic,

financial, industry, and political variables) (Baron and Shane, 2008)], and from the entrepreneur’s cognitive skills and traits [(e.g. person’s skills, abilities, talents, ideas, thoughts, and traits of individuals) (Greenberg and Baron, 2003)]. Moreover, an attempt has been made to understand how the interface between the environmental factors and the entrepreneur’s cognitive skills and traits (Sarasvathy, 2004) reflected in building successful ventures.

Although it is important to understand how entrepreneurs think, reason, make decisions and perform many other cognitive activities, it is equally important to identify what is the role of leadership on entrepreneurial culture, which in turn could increase entrepreneurial success. A number of studies have developed constructs that are distinct from other behavioural forms of leadership (Gupta, MacMillan and Surie, 2003) and it was found that organizational leadership plays a significant role in determining whether employees engage in creative thought and action.

Indeed, the concept of being an entrepreneur has changed and evolved. The entrepreneurs were once born, not made, as classicist would argue. What is emerging today is a class of professional entrepreneurs who rely upon their brains than their guts-and who have been trained to use both methods and technology to analyze and interpret the features of the present business environment (Dolinger, 1999, p. 9).

This study assesses the relationship of the demographic of entrepreneurs to their leadership style in the context of economic success of their entrepreneurial ventures using the full-range leadership theory.

Figure 1- Conceptual Diagram for assessing the correlation of leadership style of Bicolano entrepreneurs to demographic profile that influences entrepreneurial success. It shows the conceptual paradigm for this study that assess the correlation of the profile of successful Bicolano entrepreneurs to their leadership. It identifies the profile of the successful Bicolano entrepreneurs in terms of personal and social constructs and economic constructs. It also determines the different leadership styles they use and describe the characteristics. It recognizes which, from the nine leadership characteristics, they frequently use and which one is seldom used. Then, from the different leadership styles the entrepreneur use it will establish which is the dominant.

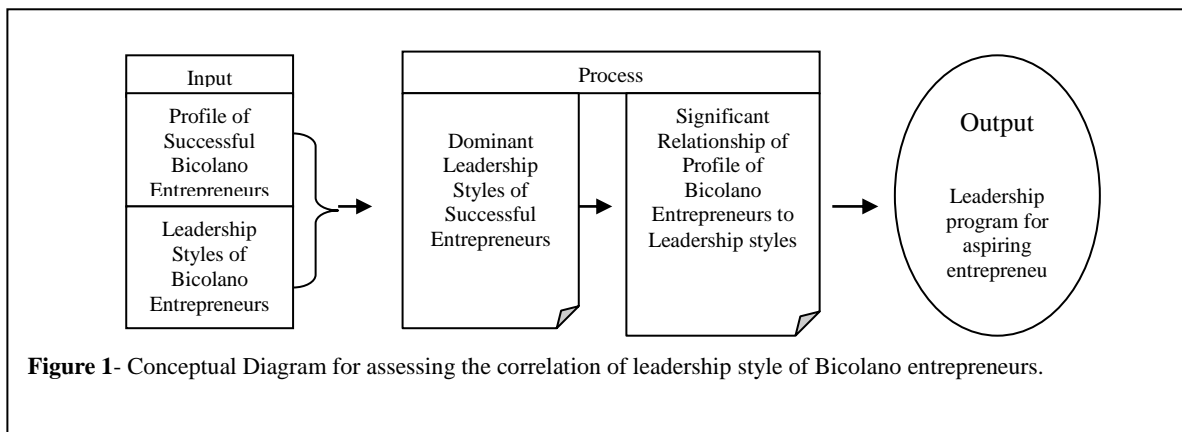


Figure 1- Conceptual Diagram for assessing the correlation of leadership style of Bicolano entrepreneurs.

Methodology

A. Research Design

This study adopted qualitative-descriptive correlation to investigate and describe correlation between demographic profiles of entrepreneurs to leadership style. To establish the profile of the entrepreneur, examine their leadership style and determine the significant relationship of the demographic to the leadership style, the researcher used descriptive statistics. A description of the frequency and percentage for the demographic and weighted mean for each leadership behavior was provided. Descriptive statistics helped to describe the leadership style of the respondent. The descriptive statistics were initially obtained and analyzed to understand relationship and significance.

A Pearson's correlation analysis was also conducted. With the Pearson's correlation analysis, it determined whether there was a significant positive or negative correlation between the leadership style and profile of the participants being studied. By using the Pearson's correlation coefficients it determined whether an increase in leadership style results in an increase, decrease, or no change in the profile of the participants. The significance of the relationship was based on a 0.05 level of significance.

B. Sampling

The respondent of this study were the top 25 micro small medium enterprise from the six provinces of Bicol region, a total of one hundred fifty (150) successful Bicolano entrepreneurs. This is based on the sales performance taken from the records of the provincial offices of the Department of Trade and Industry (2009). The respondents consist of businesses with more than three (3) years of operation and directly managed by a Bicolano entrepreneur. The proportionate sampling was used to arrive at a sample that was contextually similar and to minimize attribution error. Purposive sampling was used in the survey administration (Creswell, 2005, p.204).

The researcher selected and concentrated on the personal and social, and economic profile of successful entrepreneurs in Bicol.

C. Survey Instrument and Data Collection

The survey instrument used in this study consisted of three measures. The Multifactor Leadership Questionnaire 5X (MLQ 5X) was used to collect data regarding leadership styles of Bicolano entrepreneurs. Ancillary data was collected on the survey, designed by the researcher, which collected demographics, including personal and social constructs, and economic construct. An interview guide questions for research validation that was taken from the Multifactor Leadership Questionnaire 5X was likewise utilized. This interview guide questions helped describe the leadership characteristic of Bicolano entrepreneurs based on their actual practices.

The Multifactor Leadership Questionnaire (MLQ) Form 5X – (Revised), developed by Bass and Avolio (2004) is designed to measure transactional and transformational leadership styles and was used to categorize participants. The questionnaire determines how closely the respondents align with transactional, transformational and laissez faire leadership styles. Since entrepreneurs fit well into the

description of manager, the researcher posited that the MLQ 5X was a valid research instrument to use with the target respondent. The MLQ 5X has been investigated and shown to have excellent internal consistency, reliability, and construct validity (Bass & Avolio, 1993). The MLQ 5X is a self-administered questionnaire that consists of twelve sub-scales (Avolio and Bass, 1995). Nine sub-scales are used to measure components of leadership style, while the other three sub-scales are outcome measures for leadership style evaluation (outcomes). The self-scoring MLQ (Form 5X) uses 45 items to measure twelve sub-scales. These items are rated using a 5-point Likert scale with anchors labeled as 0 = not at all, 1 = once in a while, 2 = sometimes, 3 = fairly often, 4 = frequently, if not always.

Data collection that was used for the survey was through postal service, email and personal meeting at the place of business. Initial contact to the respondent of study sample was done through landline and text messaging. The survey instrument has a sequential number to track responses of the participant. It uses a separate non-overlapping series of numbers for each respondent in the six provinces that facilitate data segmentation. Information was then processed and analyzed. The responses to the 45 questions on the MLQ (form 5X) were scored using Microsoft Excel and Statistical Package for Social Sciences (SPSS) 11.0.

Results and Discussion

Profile of Bicolano Entrepreneurs

It was found out that the profile of successful entrepreneurs in terms of personal and social construct is such that: the female entrepreneurs were greater in number (66.66 percent) than their male counterpart (33.33 percent); entrepreneurs were early starters in business. Between 20 and 39 was the age when the entrepreneurial decision was most likely made. Male entrepreneur would normally start at an early age (twenties). Their mean age is 27. The parents of an average of 65 percent of the respondents were self-employed or engaged in their own business. 36.7 percent of the entrepreneurs belong to middle-socio-economic stratum prior the time of entrepreneurship.

Over 44 percent of the entrepreneurs were middle born, followed by the oldest or 26 percent. But the oldest born entrepreneur starts earlier in age in business (twenties) than the other entrepreneurs. Fifty four (54) percent of the entrepreneurs were college degree graduates while 9.3 percent were non-college graduates, where 4 percent pursued master's degree; 4.7 percent and 28 percent completed primary and secondary education respectively; 79.3 percent of the entrepreneur were married and they started earlier at age (twenties) in engaging to business than the other entrepreneurs. They support a relatively small family. The average number of dependent is four and 28.7 percent are involved or an officer/member of a non-government organization.

In terms of economic construct: 62 percent of them has previously worked in business enterprises that is engaged in manufacturing which is related to their present business, and they have less than twenty years of experience; 48.7 percent of the entrepreneurs were mostly found in manufacturing; and 2.1 percent were found in service.

Forty six (46) percent of the male entrepreneurs were engaged in manufacturing and at the same time trading. While 8 percent of the female entrepreneur are engaged in trading as compared to their male counterpart that is 1.33 percent. Eighty five and 03/100 (85. 3) percent of the entrepreneurs were single proprietor. Majority (144) of the entrepreneurs were engaged and started in micro-scale industry, 55.3 percent were in business for the past ten years. They have disclosed an estimated gross sales ranging below P100, 000 to P10 million. Sixty nine and 03/100 (69. 3) percent of the entrepreneurs disclosed an

estimated business assets ranging below P50, 000 to P 500,000; 72. 7 percent of them started with less than four employees and 72 percent with less than ten employees at present time. But as the business grows and expands there is an expected increase in the number of labor force. Seventy four (74) percent of the entrepreneurs have no branch/outlet as of now; 44 percent of the entrepreneurs raised their capital through personal assets and savings; 60 percent of them utilized the support of the Department of Trade and Industry. See figure 2- that shows the summary of the profile of Bicolano Entrepreneurs.

Figure 2– Summary of the Profile of Bicolano Entrepreneurs

Summary of the Profile of Bicolano Entrepreneurs	
A. Personal and Social Factors	
1. Age at the start of Business :	27 years
2. Birth Rank in the Family :	Middle born
3. Parents' Occupation :	Self-employed
4. Civil Status :	Married
5. Number of Dependents :	4 children
6. Educational Background :	College Degree
7. Size of the Family :	Small
8. Social Roles :	Officer/member of a NGO
B. Economic Factors	
1. Business Experience :	20 years
2. Business Type :	Manufacturing
3. Business Ownership :	Single Proprietorship
4. Initial Capital :	
Micro Scale :	P20,000 < P 3 Million
Small Scale :	P 3 Million < P 5 Million
5. Number of Years in Operation :	10 years
6. Estimated Gross Sales :	>P100,000 to P10 Million
7. Estimated Business Assets :	>P50,000 to P500,000
8. Number of Employees :	
At the start of Business Operation :	less than 4 employees
At present time of Business Operation :	less than 10 employees
9. Number of Branch (Outlet) :	None
10. Source of Funding :	Personal Assets and Savings
11. Government Incentives :	DTI support

Leadership Style of Successful Bicolano Entrepreneurs

In table 1, it indicates the leadership style utilized by a successful Bicolano Entrepreneurs which is both transformational and transactional leadership style. Transformational Leadership *Style* of successful Bicolano entrepreneurs is characterized as first, frequently if not always as inspirational motivator. They inspire their people/employees by providing them stable livelihood. Next, they are fairly often as idealized influencer of behavior, intellectual stimulator and individual considerer. As idealized influencer of behavior, they lead by example and value their people. As intellectual stimulator, they spend time in teaching their employees how to accomplish their task. They also encourage two-way communication and transparency to motivate employees to analyze problems and re-examine the critical assumptions to the problem. As individual considerer, they respect the individual differences of their employees but provide equal opportunity. Finally, they are sometimes idealized influencer of attribute because entrepreneurs are not conscious on displaying a sense of power in managing his/her enterprise. While Transactional Leadership *Style* of

successful Bicolano entrepreneurs is characterized as first, they are fairly often as contingent rewarder and management-by-exception (active). As contingent rewarder, they encourage their employees to accomplish task in exchange for an incentives that can be in terms of monetary or non-monetary. As management by exception (active), they monitor employees' performance and take corrective action if it is necessary. Finally they are once in a while management-by-exception (passive) and laissez faire leader. It was found out that the dominant leadership among successful Bicolano entrepreneurs is the transformational leadership style with a weighted mean of 2.92, which means they fairly often make use of transformational leadership style as compared to transactional leadership where the weighted mean is 2.01 that indicate it is sometimes utilized. According to Bicolano entrepreneurs, one of the factors why their business is successful was because they utilized transformational leadership style in managing their business venture.

Table 1 - Leadership Characteristics of Bicolano Entrepreneurs

Leadership Characteristics	Weighted Mean	Rank per Leadership Style
Idealized Influence (Behavior)	3.10	2
Idealized Influence (Attributed)	2.36	5
Inspirational Motivation	3.20	1
Intellectual Stimulation	3.01	3
Individual Consideration	2.94	4
<i>Overall Average Weighted Mean</i>	2.92	
Contingent Reward	3.11	1
Management-by-Exception (Active)	2.42	2
Management-by-Exception (Passive)	1.44	3
Laissez Faire Leadership	1.07	4
<i>Overall Average Weighted Mean</i>	2.01	

Legend: 0.0 - 0.7 Not at all, 0.8 - 1.5 Once in a while, 1.6 - 2.3 Sometimes, 2.4 - 3.1 Fairly often, 3.2 - 4.0 Frequently if not always.

the success of the enterprise. This result is similar to Yang's finding that transformational leadership is significantly more correlated to business performance than transactional leadership.

Entrepreneur's previous work experience, industry of endeavor, type of ownership, initial capital, number of years in business operation, number of employees at the start of the business operation, number of branches, source of capital and access to government support has no significant relation to both transformational and transactional leadership style. The following are the reasons: first, majority of the entrepreneurs are proprietor having minimal initial capital that come from their personal assets and saving with less than four employees at the start of business operation and without branch. Second, entrepreneurs are hesitant to make use of government support because of the requirements imposed and lack of information know how to access it.

Correlation of Profile of Bicolano Entrepreneurs to Leadership Style

In table 2, it indicates that personal and social construct has no significant relation to both the transformational and transactional leadership style. It indicates that their leadership style is not related to their gender, age at the start of business operation, parent's occupation, size of family, birth order, educational attainment, civil status, number of dependents, and social roles. The following are the reasons why there is no significant relation. First, most of the respondents start their business at an early age and they still lack the expertise to lead people. Second, the leadership skill of entrepreneur that was developed in the school is not enough for them to know how to lead people. Third, majority of the respondents are middle born offspring's which has fewer responsibilities in the family setting. Fourth, it was indicated in the profile data that majority of the entrepreneurs are married individual. So they give more priority to the survival or livelihood for their family than others. Finally, involvement of entrepreneurs in their local community just happened recently.

In table 3, it indicates that in terms of economic constructs the annual sales, business assets and number of employees at the present time have a slightly positive significant relation to transformational leadership style. To generate more sales, to grow or expand the business assets, and as the number of employees increases entrepreneurs must make use of their leadership skills. According to successful Bicolano entrepreneurs, they need to utilize transformational leadership style in motivating employees to help their business generate higher sales that leads to increase their business assets. The entrepreneurs show and explain to their employees the relevance of having more sales because this would determine the sustainability of the business and their employment. It was also noted that this three economic constructs that has significant relation to transformational leadership are the indicators to measure

Table 2 – Bivariate Correlation Matrix of Leadership and Personal and Social Construct

Entrepreneurs Personal and Social Construct	Transformational Leadership				Transactional Leadership			
	Pearson Correlation	Interpretation	Sig. (2-tailed)	Findings	Pearson Correlation	Interpretation	Sig. (2-tailed)	Findings
Age	0.091	No or Negligible Relationship	0.318	Not Significant	0.051	No or Negligible Relationship	0.437	Not Significant
Gender	-0.035	No or Negligible Relationship	0.626	Not Significant	-0.050	No or Negligible Relationship	0.496	Not Significant
Birth rank	-0.054	No or Negligible Relationship	0.485	Not Significant	0.005	No or Negligible Relationship	0.499	Not Significant
Father Occupation	-0.101	No or Negligible Relationship	0.283	Not Significant	-0.046	No or Negligible Relationship	0.534	Not Significant
Mother Occupation	-0.055	No or Negligible Relationship	0.436	Not Significant	0.018	No or Negligible Relationship	0.546	Not Significant
Civil status	-0.100	No or Negligible Relationship	0.431	Not Significant	-0.013	No or Negligible Relationship	0.514	Not Significant
# of dependents	0.110	No or Negligible Relationship	0.271	Not Significant	0.046	No or Negligible Relationship	0.494	Not Significant
Educational Attainment	0.014	No or Negligible Relationship	0.702	Not Significant	-0.024	No or Negligible Relationship	0.389	Not Significant
Size of the family	0.106	No or Negligible Relationship	0.347	Not Significant	0.141	No or Negligible Relationship	0.206	Not Significant
Social Roles	0.060	No or Negligible Relationship	0.469	Not Significant	0.014	No or Negligible Relationship	0.477	Not Significant

*Correlation is significant at the 0.05 level (2-tailed)

**Correlation is significant at the 0.01 level (2-tailed)

Table 3 - Bivariate Correlation Matrix of Leadership and Economic Construct

Entrepreneurs Economic Construct	Transformational Leadership				Transactional Leadership			
	Pearson Correlation	Interpretation	Sig. (2-tailed)	Findings	Pearson Correlation	Interpretation	Sig. (2-tailed)	Findings
#of years of business/work experience	0.015	No or Negligible Relationship	0.690	Not Significant	0.062	No or Negligible Relationship	0.435	Not Significant
Type of Business	0.001	No or Negligible Relationship	0.639	Not Significant	0.050	No or Negligible Relationship	0.475	Not Significant
Type of Ownership	0.059	No or Negligible Relationship	0.438	Not Significant	0.008	No or Negligible Relationship	0.518	Not Significant
Initial Capital	0.128	No or Negligible Relationship	0.225	Not Significant	0.021	No or Negligible Relationship	0.304	Not Significant
# of years in business operation	0.089	No or Negligible Relationship	0.323	Not Significant	0.126	No or Negligible Relationship	0.199	Not Significant
Annual Gross Sales	0.183*	No or Negligible Relationship	0.065	Significant	0.023	No or Negligible Relationship	0.200	Not Significant
Business Assets	0.168*	No or Negligible Relationship	0.106	Significant	0.043	No or Negligible Relationship	0.249	Not Significant
# of employees (start)	0.127	No or Negligible Relationship	0.185	Not Significant	0.032	No or Negligible Relationship	0.383	Not Significant
# of employees (Present)	0.162*	No or Negligible Relationship	0.106	Significant	0.053	No or Negligible Relationship	0.396	Not Significant
# of branch (outlet)	0.014	No or Negligible Relationship	0.617	Not Significant	0.027	No or Negligible Relationship	0.633	Not Significant
Source of capital	0.075	No or Negligible Relationship	0.353	Not Significant	0.023	No or Negligible Relationship	0.496	Not Significant
Access to government support	0.072	No or Negligible Relationship	0.400	Not Significant	0.047	No or Negligible Relationship	0.466	Not Significant

*Correlation is significant at the 0.05 level (2-tailed)

**Correlation is significant at the 0.01 level (2-tailed)

Conclusion

A typical successful entrepreneur from the Bicol region generally comes from a family who is engaged in business undertaking (self-employed), middle born, a married individual with at least 2-4 children, below 39 years of age, a college degree holder, an officer or member of a non-government organization, a proprietor of a manufacturing business and has been in business for more than 10 years with an initial investment ranging between below P20, 000 to P100,000 from personal assets and savings. He/she belongs to the micro scale industry with an estimated annual gross sales from below P100, 000 to P10 million, and owning an estimated business assets ranging between below P50, 000 to above P500, 000 and make use of DTI support.

Leadership among entrepreneurs may not be unique. The study used an instrument based on a contemporary full-range leadership model to discern & measure specific leadership characteristics of successful Bicolano entrepreneurs. A Successful Bicolano entrepreneurs display a measurably higher tendency toward transformational leadership. Leadership competencies related to inspirational motivation, contingency reward and laissez faire leadership were the most significant discriminates among leadership factors. Successful entrepreneurs consistently rated themselves higher in inspirational motivation and contingent reward and lower in frequency of application of laissez faire leadership. The dominant leadership style among successful Bicolano

entrepreneurs is the transformational leadership style, in which the entrepreneur fairly often makes use of as compared to transactional leadership which they sometimes utilize. This means that to be successful entrepreneurs they should develop the characteristic of transformational leadership style. Normally when an entrepreneur starts engaging into business the leadership style is more of a transactional one, but as they succeed and continue their enterprise they shift to transformational leadership style. This is because the entrepreneurs believe that their vision is not limited in providing livelihood to the people in their community but it also encompasses to transform the community and help the people uplift their standard of living. In this leadership style, the entrepreneur is not anymore after what the employees can do to the enterprise and pay them in exchange, but they go beyond this transaction. The entrepreneurs believe that they could now trust the employees in helping the enterprise achieve its vision. So they establish mutual interest with their employees by considering them as partner, not just as a mere employee.

In the correlation of the demographic profile of the entrepreneur to the leadership style, only the transformational leadership style has a positively significant relation to some of the economic constructs, such as the annual sales, business assets and number of employees at the present time. Leadership style has no significant correlation to the other economic constructs and to the personal and social constructs of the entrepreneur.

Recommendation

Aspiring entrepreneurs who came from a family with business endeavor should take the opportunity to assume responsibility and develop their leadership skills, involve in community activities or organization to develop their networks and sense of responsibility, and entrepreneurs should make use of the alternative source of capital and support extended by the government.

Entrepreneurs should frequently, if not always, make use of transformational leadership to provide higher meaning, purpose and encourage superior results from their entrepreneurial endeavor. The transformational leader is a visionary, who seeks to appeal to followers' better nature and move them towards higher and more universal needs and purposes.

Further, it is recommended to entrepreneurial practitioners to make leadership development as integral to their business planning activities to increase probability of their endeavor success. Self-awareness and awareness of leadership competencies of successful entrepreneurs may be essential elements of leadership development planning that leads to entrepreneurial success.

Limitations

The study is confined to the identification of the dominant leadership style among successful Bicolano entrepreneurs using their profile and Multifactor Leadership Questionnaire 5X (MLQ 5X) full-range leadership assessment tool. The analysis focused on the profile of Bicolano entrepreneurs in terms of personal and economic factors that may have significant relation to their leadership style and would affect their entrepreneurial success. Thus, the whole discussion revolved around investigating the dominant leadership styles among successful Bicolano entrepreneurs. Potential differences in organizational

environments in geographic regions other than that represented by the study population limited the scope of this study.

The use of self-reporting instrument allows the possibility of attribution error or actor-observer bias (Gladwell, 2002). As described by Gladwell, persons observing others view behaviors in terms of personality traits, motives or abilities. When viewing themselves, people tend toward situational attributions. To minimize attribution error, this study utilized a proportionate sampling that was contextually similar. That all respondents of this study should already executed their entrepreneurial endeavors/business in a common socio-economic environment. A self-rater instrument was used to collect data. With these precautions, attribution error still may influence the data integrity.

The use of the MLQ Form-5X as a survey instrument also imposed limitations. A nine-factor leadership model formed the basis of the MLQ 5X. Research indicated that the range of leadership styles discerned by the nine-factor model was more comprehensive than previous leadership models (Avolio & Bass, 2004). Future research, however, may find leadership factor limitations imposed by the MLQ Form-5X that limit its effectiveness as a tool for identification of entrepreneurial leadership traits.

Future Scope

In view of the limitations of the study, the following recommendations may be considered:

1. A conduct of research, similar to this study in other geo-economic regions. Additional testing should also include a demographic factor which is not included in the present work.
2. A replication of the study using other, full-range leadership frameworks. There is a need for testing to validate other full-range leadership models against all leadership typologies, including entrepreneurial leadership.
3. A research employing the Multifactor Leadership Questionnaire (MLQ 5X) might also consider the sub-factors that make up leadership type. These individual factors may be the key when analyzing leadership and entrepreneurial success.
4. Enterprise outcomes were not considered in this study. Future studies might assess the presence of a relationship between any of those enterprise outcomes including extra effort, effectiveness, and satisfaction, which are also measured by the MLQ 5X, and entrepreneurial success.
5. Future studies might also consider asking the subordinates or employees to complete the MLQ 5X to identify leadership type of the entrepreneurs. Customer input might also provide a better picture on how well the entrepreneur is working in his/her enterprise.

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