
What Type of Entrepreneur are You?

Merriam-Webster's Dictionary defines an entrepreneur as *"a person who starts a business and is willing to risk loss in order to make money."* This concept is at the heart of every franchise business built on the vision of entrepreneurs, but what type of person does that take? What traits does that person have? Do you have what it takes to be a successful entrepreneur?

"Heart, Smarts, Guts and Luck" a book by Tony Tjan, Richard Harrington and Tsun-Yan Hsieh, identifies four primary categories that all successful entrepreneurs, including franchisors and franchisees, fall into; smarts-dominant, luck-dominant, guts-dominant or heart-dominant.

If you are **smarts-dominant**, you focus on systems and procedures, the foundation of every franchise concept. You are detail-oriented and thrive by setting goals and systems of accountability.

If you are **luck-dominant**, you are humble, intellectually curious and optimistic. You are not lucky by chance, but because you are open-minded when a "lucky" situation presents itself and you know how to convert that into success.

If you are **guts-dominant**, you have the tenacity to initiate change, conviction to see it through and courage to evolve as your concept and audience change. When the going gets rough, you are the tough that gets going. You may be the reason your concept has overcome obstacles to become the mature franchise system that it is now.

If you are **heart-dominant**, you are passionate about your concept, providing an authentic vision for your company. You may not have the most well thought out strategic plan, but you have an unshakable sense of purpose that will cause others to buy-in and follow you anywhere in the world. You can sell your franchise system to anyone.

Do franchisee "entrepreneurs" fit into one of these categories, too? Absolutely! Franchisees may not have invented the product or service and they may not have created the system and brand, but they are starting a new business and taking the

risk that the franchise system works and that the franchisee's market can identify with the brand.

The success of the franchisee's business isn't entirely dependent upon the franchise system. While the franchisee is following franchisor developed systems and procedures, it is the franchisee's ability to identify a successful system, focus on implementing the systems and procedures, tenacity to follow the system no matter what, and commitment to the brand that causes the franchisee's success.

The authors of "Heart, Smarts, Guts and Luck" designed what they call the Entrepreneurial Aptitude Test to identify an individual's unique "entrepreneurial DNA". Their online survey reveals 61% of founders are heart-dominant, 65% of founders had a childhood entrepreneurial venture, 25% of founders are luck-dominant, and 70% of all entrepreneurs did not start with a formal business plan.

It should come as no surprise to you that this attorney is **smarts-dominant**.
Which one are you?