

# The myths of entrepreneurs

## No 1

It takes a great idea to begin

# The myths of entrepreneurs

## No 2

Entrepreneurs are visionaries

### **Myth 1 : Some ideas for reflection and discussion**

Setting up a business does not necessarily require an original idea. The main objective is to answer whether there is a real need and whether you have a market (of customers).

Companies are created in a large variety of sectors, but the majority are in traditional sectors (crafts, trade, transport ...). It is sometimes necessary to know how to bring a touch of innovation to your business.

### **Myth 2 : Some ideas for reflection and discussion**

"The entrepreneur is not the one who predicts the future but who builds it" Philippe Silberzahn.

Saras Sarasvathy's theory of Effectuation (2001) describes an approach to making decisions and performing actions in entrepreneurship processes:

The four principles of effectuation are:

- *Bird-in-Hand*: You have to create solutions with the resources available here and now.
- *Lemonade principle*: Mistakes and surprises are inevitable and can be used to look for new opportunities.
- *Crazy Quilt*: Entering into new partnerships can bring the project new funds and new directions.
- *Affordable loss*: You should only invest as much as you are willing to lose.

The world view and the four principles are used in entrepreneurship processes to plan and execute the next best step and to adjust the project's direction according to the outcome of your actions.

## The myths of entrepreneurs

### No 3

It takes several years of professional experience to get started.

## The myths of entrepreneurs

### No 4

Women are not entrepreneurs

### **Myth 3 : Some ideas for reflection and discussion**

- In 2014, 24% of companies will be created by young people under 30 years of age, 8% of which will be under 25 years of age. Source AFE
- Entrepreneurship is attracting more and more young people.
- Students and young graduates often develop entrepreneurial projects with help in terms of coaching, mentoring, study planning etc.
- It is necessary to know who to surround oneself with and not hesitate to ask for advice: In other words, go looking for the experience around you.

### **Myth 4 : Some ideas for reflection and discussion**

- In 2018, women created 39% of sole businesses. This proportion has been increasing for 30 years (29% in 1987): Positive evolution but no parity yet!
- Most women are employed in health and social work (75%), other household services (70%), industry (52%) and education (50%). Source: INSEE
- The sustainability of companies created by women is equivalent to that of men.
- Note : networks, associations and specific aids exist to promote female entrepreneurship.

# The myths of entrepreneurs

## No 5

You have to have a  
management qualification

# The myths of entrepreneurs

## No 6

Setting up a business means  
risking losing everything.

### **Myth 5 : Some ideas for reflection and discussion**

- The creation of a company requires knowledge of marketing, accounting and finance (calculation of turnover, etc., break-even point).
- Many organisations run relevant training for business start-ups
- You can either be trained or be assisted by professionals (chartered accountants, approved management centre, etc.).
  - A specific training may be required to carry out the activity you are interested in (regulated professions).

### **Myth 6 : Some ideas for reflection and discussion**

- After 3 years of existence, 71% of newly created companies are still in business according to INSEE. Among the others, some of them have not found their market, have lacked the means for their development or have made management mistakes.
- In 2001, with the theory of effectuation, Saras Sarasvathy, refers to "acceptable loss". Where is the creator ready to waste: time, money... ? For Philippe Silberzahn, the business creator is not someone who risks everything, but who decides what he can or cannot risk. E.g., the consequences in case of non-repayment of loans.

# The myths of entrepreneurs

## No 7

You have to have a network

# The myths of entrepreneurs

## No 8

You need to be really  
commercially-minded

### **Myth 7 : Some ideas for reflection and discussion**

Having a network facilitates the birth of a business: 90% of French people believe that it is important to have a relational network in order to create or develop a business and 72% of them would lack a sufficient network if they were to start up a business.

Source: Initiative France

- Every entrepreneur can build relationships, there are multiple organizations to help develop your network and to meet with future potential partners or customers.
- In France, it is estimated that there are 10,000 clubs of leaders,
- There are also virtual networks such as Facebook or LinkedIn.

### **Myth 8 : Some ideas for reflection and discussion**

It is valuable to have a good sense of commercial and relational skills in order to sell products.

- If you don't have the profile of a salesperson: you can train yourself in sales techniques, associate with a person who has these qualities or recruit a salesperson. The entrepreneur, if he does not have certain skills, must surround himself with people who have them.
- As a business manager says, you have to know how to surround yourself with people better than yourself.