



**SWP 7/87 OWNERS AND MANAGERS:
THE VENTURE 100 VS THE FORTUNE 500**

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EXECUTIVE SUMMARY

A steady supply of entrepreneurs who will build the growth firms of the future has always been seen as fundamental to the economic health of a country. However, as companies have grown to the point where many have balance sheets larger than many countries, the role of the Top Management Team in managing these corporate giants has also received more prominence. Unfortunately, research into the two groups of current entrepreneurs and large corporation managers has been both sparse, and has followed different, though parallel, paths. This research examines their backgrounds and asks the question whether the basic assumption that they are, in fact, different is correct—who are the high flying entrepreneurs, and are they any different from successful corporate leaders?

*Data was drawn from three sources. A questionnaire was sent to the 167 founders listed in the July 1984 edition of *Venture Magazine* as the "Venture 100"—"the nation's top entrepreneurs who run the companies they founded in the past ten years". Sixty-seven useable replies were received from 40% of the founders and 52% of the companies. Comparative data was extracted from the "Korn Ferry's International Executive Profile: A Survey of Corporate Leaders" which surveyed five senior executives from each of the Fortune 500 companies. A response rate of 47% was received from a survey of 3640 executives. Further comparative analysis was extracted from the characteristics of senior executives of all firms in five selected industries (Dairy, Mobile Homes, Tires, Footwear, and Machine Tools) as listed in *Duns Reference Book of Corporate Management 1983/1984*. Data was collected on personal characteristics (age, family background, and education), previous employment experience, managerial style, and work patterns.*

The null hypothesis of there being no significant difference between high flying entrepreneurs and their counterparts in the largest U.S. corporations was not sustained. Whereas certain characteristics showed similar patterning—previous employment experience, managerial success traits—the remaining variables demonstrated significant differences. The entrepreneurs were younger, better educated, had more international experience, and worked harder than their corporate colleagues. If replicated elsewhere, the results of this study have particular implications for the type of educational and employment experience necessary to affect the supply of the entrepreneurs of the future.

INTRODUCTION

For the last century, America has been viewed by Western commentators as the home of the entrepreneur. The romantic view portrayed is of a country where anyone can start their own firm and make a million dollars: many do. Indeed, throughout the world a steady supply of entrepreneurs has often been seen as the reason for historical economic success and that "entrepreneurial activity can speed up the process of industrial revival!" (Stacey 1972). In 1776, during the time when Thomas Jefferson and his colleagues signed the Declaration of Independence, "over 90% of economically active Americans were self-employed entrepreneurs. Today, however, the proportion of self-employed has declined to some 10%, and the majority of the population rely upon others for their employment" (Wilson 1979). The task of the entrepreneur is argued to be to build the economic infrastructure of the future, to found and grow the large organisations of tomorrow. But who are these high flying entrepreneurs? Are they, any different from any other corporate leader, or do they come from essentially similar backgrounds? These are questions, which form the basis of this research, are crucial elements in the design of strategies for accelerating industrial revival.

LITERATURE REVIEW

Previous studies of the characteristics of the entrepreneur and of the corporate leader have followed similar, but parallel, paths focussing upon the general issue as to whether entrepreneurs/leaders are born or made?

The Entrepreneur

Cooper (1981) provides a useful framework for studying the "influences upon the entrepreneurial decision". He suggests that they can be encapsulated in three groupings, antecedent influences (genetic factors, family influences, educational choices, and previous career experiences); the type of incubator organization; and general environmental factors such as current economic conditions, and availability of capital. He concludes that the antecedent characteristics are the "most extensively measured".

The factor which has received most attention historically is that of entrepreneurial motivation, variously described as innovative (Schumpeter 1942), risk-taking, need for achievement (McLelland 1961), internal locus of control (Rotter 1966), or need for power (Winter 1973). Further studies have sought to create subclassifications. Thus, Stanworth and Curran (1976) delineate the artisan (intrinsic satisfaction), from the manager (recognition by others of managerial excellence), from the classic entrepreneur (profit oriented); Webster (1977) identifies the cantillon (one who assumes risk and management responsibility), the industry-maker, the administrator (creates, or re-creates and manages the firm), the small business owner/operator and the independent (risk creator); Cooper and Dunkleberg (1982) segment into the growth oriented, the independence oriented and the craftsman oriented. Since many of these groupings above fail to delineate sufficiently clearly, and as a result may be confusing, this article chooses the simplest of definitions by Carland, Hoy, Boulton and Carland (1984) who, by focussing upon the essential factor of growth, distinguish the small business owner from the entrepreneur. Whatever the measure used, implicit in all these studies is the assumption that the destiny of the firm and the motivations of the founder are intertwined inextricably.

Studies which measure particular, lifetime characteristics of the individual are seen

TABLE 1 Individual Characteristics of the Entrepreneur

Date	Author(s)	Family	Education	Age	Previous Career	Incubator
1979	Vesper				*	
1980	Petrov	*		*	*	
1981	Cooper, Dunkleberg	*	*		*	*
1982	Stoner, Fry	*			*	*
1982	Kent, Sexton, van Auken, Young		*	*	*	
1982	Tyebjee, Bruno			*		
1984	Ronstadt	*	*	*	*	
1984	Cooper					*
1984	Gartner		*	*		
1985	Teach, Tarpley, Schwarz		*		*	*

below in Table 1. Whilst these are limited in nature, they do indicate those factors which other researchers have considered important measures of the entrepreneurial profile.

From Table 1 it will be seen that the data regarding family background is sparse and tends to support the view that entrepreneurs are usually first children from family firms and who are, therefore, following the role model of their parents. Conclusions regarding education have changed over time. The earlier studies of Collins, Moore and Unwalla (1964), and Stanworth and Curran (1976), support the traditional view that the entrepreneur is not well educated: recent studies, however, suggest that the entrepreneur is now better educated than the population as a whole (Kent Sexton, Van Auken and Young 1982 and Gartner 1984). Indeed, Teach, Tarpley and Schwarz (1985) report that 47% of their sample of 193 micro-computer entrepreneurs had advanced degrees. Regarding age, general consensus exists that the entrepreneur "typically starts in his 30s" (Cooper 1981), mean ages varying between 28 and 42.

The results of studies which touched upon previous career experiences are entirely concerned with tenure. Cooper and Dunkleberg (1981) report that 67% of their respondents had 2 jobs or less; Petrov (1980), found that successful entrepreneurs had moved jobs less frequently than those who were unsuccessful; Ronstadt (1984) found that 80% of his sample had previous work experience, a finding supported by Stoner and Fry (1982), the results from whose sample indicated a mean of eight years in previous employment.

In his research into incubator characteristics, Cooper (1984), reports that "small firms tend to have higher spin-off rates than large firms", and that 73% of the new firms were related to the incubator firm in some way. Teach, Tarpley and Schwarz (1985), report 40% of their respondents came from firms with more than 1000 employees, and that 41% created firms in related industries.

While these studies give clues as to the characteristics of the entrepreneur, most are descriptive rather than analytical. Where comparative studies have been conducted, they have tended to be parochial, comparing those within the sample who have been successful, with those who have been unsuccessful. In only one case (Kent et al 1982.) was an attempt made to compare the entrepreneur (n = 1259) with a control group - the manager (n = 111), although in his conceptual paper Hartman (1959), also recognizes that there may be differences. However, the most serious concern is the fact that all the studies are focussed upon those who have started small firms - the small business owner rather than the entrepreneur.

Other than biographical articles of anecdotal nature, little is known about the classic entrepreneurs, i.e. those who create the large firms of the future.

The Corporate Leader

In parallel with the lack of knowledge concerning the characteristics of the entrepreneur, studies of top executives within large corporations are limited in number (see Norburn 1986(a)). Nevertheless, knowledge as to tenure (Shetty and Perry 1976; Sturdivant and Adler 1976), career path (Margerison 1983; Dalton and Kesner 1983), education (Collins and Moore 1970; Miner 1975; Channon 1976) and socio-economic background (Burck 1976; Sturdivant and Adler 1976) provide a basis for comparison. However, if the investigation into the characteristics of leadership is broadened beyond those who occupy the pinnacle of the organisational hierarchy to those of the lower echelons, three schools of leadership theory have emerged: that of Trait, Style and Contingency. Broadly speaking, the Trait theorists propound inherent behaviour – e.g. high energy, risk-taking; the Style theorists advance decision-making behaviour upon an autocratic/democratic continuum; and the Contingency theorists merge the previous two schools dependent upon the specific situation. The three schools became a helpful focus for this research (Yukl 1981, for a comprehensive review), although Stodgill's (1974) caveat is apposite – “four decades of research on leadership have produced a bewildering mass of findings”.

THIS RESEARCH

A common theme from the research reported in the last section is that the leader of the firm, large or small, has identifiable characteristics which affect the performance of the firm. Many of these factors such as education, family background, and previous employment experience are measurable. However, in the absence of evidence to the contrary, the impression gained from previous research and from the popular press is that corporate leaders are different from entrepreneurs. For example, the view propounded by Pirenne (1914) that “social progress stems from below” is similar to Stanworth and Curran's (1976) concept that the successful entrepreneur is “socially marginal”. By contrast, the corporate leaders are thought to emanate from those more educated in society, and from the high status Ivy League Universities. Indeed, until quite recently, those wishing to pursue postgraduate business education would have found the curriculum of their MBA programme entirely concerned with educating for employment in, and leadership of the large corporations of the day.

Recently, however, literature has emerged which has sought to cross the size boundaries by discussing the activity of entrepreneurship within any size or type of organization. This was heralded by the *task-forces* of Peters and Waterman (1982), supported by the *intrapreneurs* of Pinchot (1985), and the *centurions* of Birley and Norburn (1985), all of which describe the role of entrepreneurship within the large organization, and which support the view that the successful firms of the future will be those which adopt an entrepreneurial style. Currently, however, the unanswered question is the extent to which it is possible for the executives of the top management team (TMT) to adopt such a style – to what extent is the grooming of those in the *upper echelons* of corporations different from that of the successful entrepreneur? This question forms the basis of this research and leads to the formulation of the following null hypothesis:

No significant difference exists between the characteristics, and backgrounds of the successful entrepreneur and those of the successful corporate leader

As a corollary, it is expected that the high flyers will show different characteristics from those described in the small firm literature.

While this study concentrates upon the relationship between the entrepreneur and the corporate leader, the research design relies heavily upon four previous studies in both the UK and the USA, which have concentrated solely upon the corporate leader. These have addressed four basic questions:

1. What are the characteristics of British corporate leaders within growing and declining industries? (Norburn 1986(a))
2. Are there any differences between British and American corporate leaders? (Norburn 1986(b))
3. Are Chief Executive Officers different from their Top Management Team? (Norburn 1986(c))
4. Do managerial characteristics explain intra-industry financial performance variability? (Norburn and Birley 1986)

Sample:

Data was Collected from Three Sources;

1. **The High Flyers** A questionnaire was sent to the 167 founders listed in *Venture Magazine* of July 1984 as the "Fast-Track 100". These are the nation's top entrepreneurs who run the companies they founded in the past ten years. Companies are ranked by revenues. Firms in this population had the following characteristics;

- Mean 1983 Sales \$103.6million, Median 1983 Sales \$55million
- Range \$982.8million (Apple Computer) to \$27.7million (Energy Supply, Inc.)
- 50% High Technology, 28% Consumer Services
- 48% Manufacturing, 52% Service

81 returns were received of which 11 were not known at the address listed, 3 refused to participate; the remaining 67 (40%) were completed by the founder and are used in the analysis. This represents useable responses from 52% of the companies.

The mean rank of the 52 companies in the sample was 50.8, an almost equal number of replies received from each of the four quartiles. The replies received can be viewed as representative of the population of firms in the Venture 100.

2. **The Fortune 500** Comparative data was extracted from *Korn Ferry International's Executive Profile: A Survey of Corporate Leaders* (1979). The survey took a sample of five senior executives from each of the Fortune 500 companies as listed in *Duns Reference Book of Corporate Management* 1978-1979. 3,640 executives were surveyed, covering all functions; 1708 (47%) valid responses were received. This study formed the American sample in Norburn's (1986(b)) cross-national study between the US and UK top managers.
3. **Duns Managers** As a control group, five specific industries (Dairy, Mobile Homes, Tires, Footwear and Machine Tools) were chosen by the researchers to represent differing economic performance. Data was extracted on all the 952 executives in the 140 companies

listed in *Duns Reference Book of Corporate Management* 1983-1984 for each of these five industries. This data formed the basis of the analysis for the intra-industry comparison referenced above. (Norburn and Birley 1986)

Tests concerning the differences between the three samples were conducted. Analysis was limited by the fact that the raw data for the Fortune 500 was not available, merely aggregate frequency data. Therefore, chi-squared tests were conducted for non-metric data and tests for the difference between means for the metric data. In the latter case, the central limit theorem applied since the sample sizes are large (greater than 30), and the means were assumed to be asymptotically normally distributed.

Data Collected

Drawing upon the research described above, the questionnaire sent to the Venture 100 covered the entrepreneurial characteristics described below. Care was taken to formulate questions, and collect only data which was directly comparable with that available for the Fortune 500, and that in the *Duns Reference Book of Corporate Management*, 1983-1984. See Norburn and Birley (1986) for a full discussion of the data collected.

Personal Characteristics – age, birth place, family background, education, current family.

Previous Experience – job patterns, overseas experience, incubator organization, relationship of incubator to current firm

The study also afforded the opportunity of comparing current attitudes and work patterns;
Managerial Style – characteristics for success, perceived style, satisfaction with career choices.

Work Patterns – hours worked, holidays taken

RESULTS

Personal Characteristics:

The High Flyers are significantly younger than America's top corporate executives. Moreover, the mean age (37.7) at which they started their firm is consistent with Coopers (1981) conclusion that entrepreneurs tend to start their firm in their thirties. A large proportion of the Fortune 500 come from the East and Mid-West of the USA, while the High Flyers are not concentrated in any particular geographic area.

However, perhaps the most startling result of all is that of educational background. The High Flyers are significantly better educated than either of the other groups: whether the criterion be undergraduate degree, graduate degree, or MBA, results are remarkably similar to those found by Teach, et al. (1985). From this data it would appear that these entrepreneurs are not only better educated than the population as a whole (Gartner 1984), but also are better educated than the nation's top corporate executives.

Regarding family background (Table 3), two interesting significant results emerge. While the Duns group and the Fortune 500 show an almost equal distribution for their father's background, more than half the High Flyers came from blue collar families.

The Fortune 500 executives appear to have larger families than the High Flyers, a

TABLE 2 Personal Characteristics

	High Flyers	Fortune 500	Duns
Current age	Mean = 44.4 S.D. = 8.4	Mean = 53.0 S.D. = 7.3 $z = 8.3^a$ $P(z > 3.3) = .00$	Mean = 53.8 S.D. = 9.6 $z = 8.8^a$ $P(Z > 8.8) = .00$
Age founded firm vs. age joined current firm	Mean = 37.7 S.D. = 8.6		Mean = 34 S.D. = 13.5 $z = 3.0^a$ $p(z > 3.0 = 0.00)$
Birth place	East = 29% West = 16% Mid-West = 25% South = 30% $\chi^2 = 8.5, 5\% S.L. = 7.81^b$	35% 9% 40% 16%	N/A ^c
Education:			
undergraduate degree	Yes = 72% $\chi^2 = 13.4, 1\% S.L. = 9.21^a$	Yes = 55%	Yes = 51%
graduate degree	Yes = 52% $\chi^2 = 23.4, 1\% S.L. = 6.63^a$	N/A ^c	Yes = 25%
MBA	Yes = 43% $\chi^2 = 43.0, 1\% S.L. = 9.21^a$	Yes = 13%	Yes = 17%

^aSignificant at 1%
^bSignificant at 5%
^cN/A = not available

TABLE 3 Family Background

	High Flyers	Fortune 500	Duns
Number of brothers	Mean = 1.18 S.D. = 1.21 $z = 0.87, P(z > .87) = .19$	Mean = 1.05 S.D. = 1.15	N/A ^c
Number of sisters	Mean = 1.09 S.D. = 1.00 $z = 0.95, P(z > .95) = .17$	Mean = 0.97 S.D. = 1.11	
Father's occupation	Blue Collar 52% Professional 17% Managerial 31% $\chi^2 = 14.7, 1\% S.L. = 13.28^a$	33% 33% 34%	32% 34% 34%
Mother's occupation	Housewife = 80% $\chi^2 = 1.56, 5\% S.L. = 3.84$	80%	N/A ^c
Parents divorced	Yes = 10.6% $\chi^2 = 0.0, 5\% S.L. = 3.84$	Yes = 11.0%	N/A ^c
Marital status	Married = 85% $\chi^2 = 10.0, 5\% S.L. = 3.84$	Married = 95%	N/A ^c
Number of children	Mean = 2.3 S.D. = 1.3 $z = 4.14, P(z > 4.14) = 0.00^a$	Mean = 2.9 S.D. = 1.25	N/A ^c

^aSignificant at 1%
^bSignificant at 5%
^cN/A = not available

result which could possibly reflect their younger age rather than any marital differences. Divorce rates were comparable.

Previous Experience

No particular pattern was observed in the employment experiences of these high flying entrepreneurs immediately prior to starting their current firm.

- The mean number employed in the incubator firm was 6,100, median 1,500, and standard deviation 13,671. 33% came from firms employing less than 500; 12% came from firms employing less than 100.
- 43% started firms in competition with their previous employer; 37% had started firms which had no identifiable relationship to their previous employment, a percentage not significantly different from the 27% found by Cooper (1981) in his sample of 59 growth oriented firms. [$X^2 = 1.32$, 5% S.L. = 3.84].
- The mean number of people previously reporting to them was 70, the median 9, and the standard deviation 153.
- 57% stated that their current firm was their first venture, 25% that it was their second, 9% their third, and 9% at least their fourth. However, only 12% stated that any previous venture had failed, rather than it had voluntarily ceased trading or still continued.

Table 4 below shows the comparative results from the three samples. In each case, any significant difference between the results for the High Flyers and the Korn Ferry and Duns samples respectively is indicated.

The High Flyers and the Fortune 500 executives showed more of a varied job pattern prior to their current activity than those in the five Duns industries. The results did not,

TABLE 4 Previous Experience

	High Flyers	Fortune 500	Duns
Number of firms worked for previously	Mean = 2.8 S.D. = 1.4	Mean = 2.6 S.D. = 1.5 $z = 0.57$ $P(z > .57) = .28$	Mean = 2.3 S.D. = 1.4 $z = 2.6^a$ $P(z > 2.6) = .003$
Number of job titles	Mean = 4.8 S.D. = 2.9	N/A ^a	Mean = 4.9 S.D. = 4.3 $z = 0.61$ $P(z > .61) = .27$
Number of years previous company	Mean = 5.4 S.D. = 3.5	N/A ^b	
Number of years in current firm			Mean = 20.4 S.D. = 13.5 $z = 31.7^a$ $P(z > 31.7) = .00$
Worked Overseas?	Yes = 28.4% $X^2 = 18.6$, 0.5% S.L. = 7.88 ^a	Yes = 11.1%	

^aSignificant at 0.5%

^bN/A = not available

however, differ significantly from those found in the small firms literature. Thus, Cooper and Dunkleberg (1981) reported 34% of their sample had had two previous jobs or less (High Flyers 44%); Ronstadt found 80% had previous work experience (High Flyers, all except one person); the mean number of years in previous employment in Stoner and Fry (1982) sample was eight (High Flyers 5.4). Surprisingly, the High Flyers had significantly more experience overseas than even the Fortune 500. This result compares with the significant difference which Norburn (1986(b)) found between the same Fortune 500, and the top UK executives.

Managerial Style:

Both the High Flyers and the Fortune 500 were asked to rank those characteristics which they considered necessary for executive success (See Table 5). There is no significant difference. Both see the need to concentrate upon results, people, creativity and integrity.

Personal aspirations did differ however – 80% of the High Flyers have no further aspirations for themselves, compared with 67% of the Fortune 500 [$X^2 = 5.7$, *S.L.* = 10.6]. These results do not indicate a lack of ambition on the part of the High Flyers. Whereas they were satisfied with their own personal achievements, they remained ambitious for the success of the corporation which they had created. ($t = 4.34$, *df* = 67, 2 tail probability = 0.00).

The High Flyers were also asked to score their managerial style on a scale 1–7 (Democratic to Autocratic); a question omitted from the other two data sets. Significant differences emerged. The High Flyers considered themselves to be largely democratic, while colleagues, spouse and children were thought to view them as largely autocratic. This data is self-reported, and thus must be viewed with caution. However, one possible explanation is that the entrepreneur would prefer to think of himself as democratic, but all the signals which he receives from others contradict this. Clearly, this is an area which could provide a rich source of future research.

TABLE 5 Characteristics for Executive Success; Rankings

	High Flyers	Fortune 500
Creativity	3	5
Responsibility	6	3
Concern for people	2	4
Concern for results	1	1
Ambition	7	6
Integrity	4	2
Intelligence	5	9
Self discipline	10	14.5
Lateral thinking	11	14.5
Loyalty	9	8
Aggressiveness	8	7
Appearance	15.5	11
Social adaptability	13	10
Humour	12	14.5
Conformity	14	14.5
Other	15.5	12

Spearman's Rho = 0.81, 1% *S.L.* = 0.601

Work Pattern

The data below show the analysis of work patterns of the High Flyers versus the Fortune 500.

High Flyers

A. Weekly hours worked previously; Mean = 52.7, S.D. = 9.3

B. Weekly hours worked now; Mean = 55.6, S.D. = 13.0

Test for difference between means: $t = 1.41$, $df = 63$.

Two Tail Probability = 0.162

Fortune 500

C. Weekly Hours Worked Now; Mean = 50.3, S.D. = 7.0

Test for difference between means:

A. vs C; $z = 2.05$, $P(z > 2.05) = 0.02$ **

B. vs C; $z = 3.25$, $P(z > 3.25) = 0.00$ **

High Flyers

D. Holiday Weeks Previously; Mean = 2.2, S.D. = 2.1

E. Holiday Weeks Now; Mean = 3.1, S.D. = 2.4

Test for difference between means: $t = 3.07$, $df = 61$

Two Tail Probability = 0.003 **

Fortune 500

F. Holiday Weeks Now; Mean = 2.9, S.D. = 1.3

Test for difference between means;

D. vs F; $z = 2.61$, $P(z > 2.61) = 0.004$ **

E. vs F; $z = 0.67$, $P(z > 0.67) = 0.25$

Clearly, this data does not support the popular view reported by Weinrach (1980); that small businesses (new businesses) often require long hours of exhausting mental and physical work. In this case, not only did the High Flyers work just as hard as when employed, but they also took more holidays than previously. However, they did appear to work harder than the Fortune 500 – and to play just as hard.

CONCLUSION

The purpose of this study was to widen the debate regarding the genesis of successful business by comparing the characteristics of the current leaders of the historically successful firms (the Fortune 500), with the founders of the fastest growing new firms over the past ten years (the Venture 100). The scope of the research was limited, in part, by the research design used in the Korn-Ferry study of the Fortune 500. Nevertheless, the data available was sufficiently consistent with those factors highlighted in the literature as entrepreneurial indicators to form the basis of a useful comparison. Further, published data available from five specific industries in the *Dun's Reference Book of Corporate Management* was used to supplement the analysis.

The null hypothesis that there isn't a significant difference between high flying entrepreneurs and their counterparts in the largest US corporations, is not consistently sustained. Thus, while there isn't a significant difference between the size of the parental family, the entrepreneur's father is more likely to have followed a blue collar occupation than a professional one. While both had worked in the same number of firms previously, the entrepreneurs

appeared to have stayed in each job for a shorter period of time, resulting in their starting their current career at an earlier age.

To these authors, two results are particularly surprising. First, the entrepreneurs had more overseas experience than the Fortune 500, second they were better educated. The latter point is particularly interesting since it is counter to the generally accepted view encapsulated by Stacey (1982) in his statement that "entrepreneurs usually emerge from among the oppressed, the underprivileged, immigrants, refugees and from the working class. Their social origins endow them with a one-way mentality - up!" Moreover, it must be noted that the higher degrees did not cluster in the technology firms. Indeed, type of qualification held by the founder(s) did not predict the product/market nature of their firm.

One result which is worthy of particular comment, is that regarding those characteristics necessary for success as perceived by the respondents. In this study there was no significant difference between the rankings of the entrepreneurs and those of the corporate leaders. However, when the same data for the American corporate leaders are compared with those produced from a survey of British corporate leaders, Norburn (1986(b)) found significant differences. This leads to the hypothesis that managerial style, as reflected in the factors which successful leaders consider to be important, is culturally bound, an issue which is too often overlooked when planning overseas investments.

In comparing the results with those available from the small firm literature, broad similarities emerge. Thus, it would seem that a general trend is for both entrepreneurs and small businessmen to start their firms after a protracted period of employment in other organizations, that their incubator organizations are of all sizes, and that they do not necessarily form firms which bear any commercial relationship with their previous employment.

This study affords the opportunity to gather together more pieces in the jigsaw of information regarding the leaders of organizations of all sizes. Taken with the four studies outlined earlier they lead to the hypothesis that successful corporate leaders, be they owners or managers, can be moulded in their formative years, and that their educational and employment experience is critical. Moreover, there is now sufficient evidence to suggest that both a multifunctional experience and international exposure are particularly valuable.

The study has widened the debate regarding the genesis of corporate leaders to include those managing organizations of all sizes. There is obviously a need for further research along these lines. However, should future studies support these findings, the implications for both the educational and business world are simple and clear. While technical and functional training is necessary, it is not sufficient to mould the successful leaders of the future: wide experience in both product/markets, and across functions may be equally important.

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