

Supplementary Appendix
to
“Is Entrepreneurial Success Predictable?
An Ex-Ante Analysis of the Character-Based Approach”
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This appendix includes:

List of Tables

A.1	Personality Characteristics, Empirical Findings and Screening Methods	2
A.2	Pairwise Correlation Coefficients – Differentiated by Gender	3
A.3	Pairwise Correlation Coefficients – Differentiated by Age	4
A.4	Overview of the Different Specifications	5
A.5	Multinomial Logit Estimation Results (Marginal Effects): Employment Status	6
A.6	Multinomial Logit Estimation (Marginal Effects): Employment Status	8

A Tables

Tab. A.1: Personality Characteristics, Empirical Findings and Screening Methods

Personality Characteristic	Empirical Findings with significant differences	Screening Method	Expected Effect
Need for Achievement	McClelland (1987), Begley and Boyd (1987), Geen et al. (1996), Mller (1999b), Goebel and Frese (1999)	Psych. AC and Test 1	positive
Locus of Control	King (1985), Bonnet and Furnham (1991), Rahim (1996), Mller (1999b), Goebel and Frese (1999)	Test 2	positive
Problem-Solving Orientation	King (1985), Buttner and Gryskiewicz (1993), Mller (1999b)	Psych. AC and Test 3	positive
Interpersonal Reactivity	Baron (2000), Mller and Gappisch (2005)	Psych. AC	positive
Assertiveness	King (1985), Chell et al. (1991), Brandsttter (1997), Mller (1999b)	Psych. AC and Test 4	positive

AC: Assessment Center.

Tab. A.2: Pairwise Correlation Coefficients – Differentiated by Gender

	Test 1	Test 2	Test 3	Test 4	Ach.Mot.	Comb. Think.	Assert	Pres. Client	Pres. Finance
Men									
Test 1	1.000								
Test 2	0.275*	1.000							
Test 3	0.175*	0.162*	1.000						
Test 4	0.108	0.132*		1.000					
Need for Achievement					1.000				
Problem-solving orientation					0.355*	1.000			
Assertiveness		0.106			0.547*	0.460*	1.000		
Pres. Client					0.316*		0.284*	1.000	
Pres. Finance					0.221*		0.181*	0.315*	1.000
Women									
Test 1	1.000								
Test 2	0.171*	1.000							
Test 3	0.175*	0.240*	1.000						
Test 4	-0.165*			1.000					
Need for Achievement					1.000				
Problem-solving orientation		0.170*			0.388*	1.000			
Assertiveness					0.510*	0.403*	1.000		
Pres. Client					0.356*	0.153	0.312*	1.000	
Pres. Finance					0.177*		0.231*	0.231*	1.000

Printed if significant at the 10 %-level, * indicates significance at the 5 %-level.

Tab. A.3: Pairwise Correlation Coefficients – Differentiated by Age

	Test 1	Test 2	Test 3	Test 4	Engag.	Comb. Think.	Assert	Pres. Client	Pres. Finance
Age < 30									
Test 1	1.000								
Test 2	0.201*	1.000							
Test 3	0.227*	0.296*	1.000						
Test 4				1.000					
Need for Achievement	-0.144*	-0.162*			1.000				
Problem-solving orientation	-0.142*		-0.133		0.395*	1.000			
Assertiveness	-0.141		-0.169*		0.531*	0.503*	1.000		
Pres. Client					0.235*		0.154*	1.000	
Pres. Finance								0.270*	1.000
Age > 30									
Test 1	1.000								
Test 2	0.269*	1.000							
Test 3	0.122		1.000						
Test 4		0.161*		1.000					
Need for Achievement	0.255*	0.147*		0.138	1.000				
Problem-solving orientation					0.343*	1.000			
Assertiveness	0.144*	0.166*		0.154*	0.477*	0.394*	1.000		
Pres. Client					0.259*	0.119	0.145*	1.000	
Pres. Finance	0.186*				0.298*		0.233*	0.365*	1.000

Printed if significant at the 10 %-level, * indicates significance at the 5 %-level.

Tab. A.4: Overview of the Different Specifications

Variables	Spec. 1	Spec. 2	Spec. 3	Spec. 4	Spec. 5
Standardized Tests					
1. Need for achievement	<i>X</i>		<i>X</i>		
2. Locus of control	<i>X</i>		<i>X</i>		
3. Problem-solving orientation	<i>X</i>		<i>X</i>		
4. Assertiveness	<i>X</i>		<i>X</i>		
Cluster variable of Test-Scores				<i>X</i>	<i>X</i>
Psychological Evaluations					
Need for achievement		<i>X</i>	<i>X</i>		
Problem-solving orientation		<i>X</i>	<i>X</i>		
Assertiveness/Interpersonal reactivity		<i>X</i>	<i>X</i>		
Presentation: Clientele		<i>X</i>	<i>X</i>		
Presentation: Finance		<i>X</i>	<i>X</i>		
Factor Analysis: Entrepreneurial skills				<i>X</i>	<i>X</i>
Factor Analysis: Entrepreneurial knowledge				<i>X</i>	<i>X</i>
Other					
Basic Competences					<i>X</i>
Financial Needs					<i>X</i>

X indicates that the variable is included in the specification.

Spec. 1: Consists of standardised test scores only.

Spec. 2: Consists of psychological evaluations only.

Spec. 3: Combines standardised tests and psychological evaluations.

Spec. 4: Combines reduced forms of standardised tests and psychological evaluations.

Spec. 5: Combines reduced forms of standardised tests and psychological evaluations and two additional explanatory variables.

Tab. A.5: Multinomial Logit Estimation Results (Marginal Effects): Employment Status

	Spec. 1	Spec. 2	Spec. 3	Spec. 4	Spec. 5
Employment Status: Self-Employed					
Gender (1 = Men)	-0.024	-0.04	-0.033	-0.037	-0.03
Age (1 = > 30)	0.006	-0.031	-0.009	0.029	-0.015
Standardized Test (Measure of the applicants ...)					
Need for achievement	0.012		0.013		
Locus of control	0.001		-0.003		
Problem-solving orientation	-0.006		-0.011		
Assertiveness	0.042+		0.038+		
Need for achievement		0.015	0.002		
Problem solving orientation		-0.005	0.004		
Assertiveness/Interpersonal reactivity (Ref. weak assertiveness and weak interpersonal reactivity)					
Weak assertiveness and strong interpersonal reactivity		0.03	0.013		
Strong assertiveness and weak interpersonal reactivity		0.065	0.077		
Equally assertive and interpersonal reactive		0.038	0.034		
Presentation: Clientele		0.015	0.005		
Presentation: Finance		-0.065*	-0.075*		
Skills				0.032	0.056+
Knowledge				-0.052	-0.037
Cluster variable of Testscores				0.033	0.04
Financial Needs					-0.065
Basic Competencies					0.092
Employment Status: Regular Employed					
Gender (1 = Men)	0.054+	0.051+	0.05	0.053+	0.05
Age (1 = > 30)	-0.056+	-0.067	-0.073+	-0.093*	-0.067+
Standardized Test (Measure of the applicants ...)					
Need for achievement	0.004		0.003		
Locus of control	-0.001		-0.003		
Problem-solving orientation	0.009		0.013		
Assertiveness	-0.008		-0.005		
Need for achievement		-0.021	-0.014		
Problem solving orientation		0.045+	0.042+		
Assertiveness/Interpersonal reactivity (Ref. weak assertiveness and weak interpersonal reactivity)					
Weak assertiveness and strong interpersonal reactivity		-0.031	-0.04		
Strong assertiveness and weak interpersonal reactivity		-0.003	-0.004		
Equally assertive and interpersonal reactive		-0.036	-0.044		

Continued on next page

	Spec. 1	Spec. 2	Spec. 3	Spec. 4	Spec. 5
Presentation: Clientele		0.021	0.024		
Presentation: Finance		0.048+	0.051+		
Skills				0.011	0.001
Knowledge				0.047+	0.047+
Cluster variable of Testscores				-0.032	-0.032
Financial Needs					0.077*
Basic Competencies					-0.085
Employment Status: Unemployed					
Gender (1 = Men)	-0.030	-0.011	-0.018	-0.016	-0.02
Age (1 = > 30)	0.050	0.098*	0.083*	0.064+	0.081*
Standardized Test (Measure of the applicants ...)					
Need for achievement	-0.015		-0.016		
Locus of control	0.000		0.006		
Problem-solving orientation	-0.003		-0.002		
Assertiveness	-0.034*		-0.033*		
Need for achievement		0.005	0.012		
Problem solving orientation		-0.040+	-0.045+		
Assertiveness/Interpersonal reactivity (Ref. weak assertiveness and weak interpersonal reactivity)					
Weak assertiveness and strong interpersonal reactivity		0.001	0.027		
Strong assertiveness and weak interpersonal reactivity		-0.062	-0.073+		
Equally assertive and interpersonal reactive		-0.002	0.01		
Presentation: Clientele		-0.036	-0.029		
Presentation: Finance		0.017	0.024		
Skills				-0.043+	-0.057*
Knowledge				0.005	-0.01
Cluster variable of Testscores				-0.001	-0.008
Financial Needs					-0.013
Basic Competencies					-0.007
Observations	394	399	382	382	347

Significance levels: + 10 %, * 5 %, ** 1 %. Marginal effects are reported; for dummy variables discrete change from 0 to 1.

Tab. A.6: Multinomial Logit Estimation (Marginal Effects): Employment Status^(a)

Variables	Gender		Age	
	Men	Women	< 30	> 30
Standardized Test (Measure of the applicants ...)				
Need for achievement	0/0/0	+/0/-	0/0/0	0/0/0
Locus of control	0/0/0	0/0/0	0/0/0	0/0/0
Problem-solving orientation	0/0/0	0/0/0	0/0/0	0/0/0
Assertiveness	0/0/0	+/-/-	0/0/-	0/0/0
Need for achievement	0/0/0	0/0/0	0/0/0	0/0/0
Problem solving orientation	0/0/-	0/0/0	0/+/-	0/0/0
Assertiveness/Interpersonal reactivity (Ref. weak assertiveness and weak interpersonal reactivity)				
Weak assertiveness and strong interpersonal reactivity	0/-/0	0/0/0	0/0/0	0/-/0
Strong assertiveness and weak interpersonal reactivity	+/0/-	0/0/0	0/0/0	+/0/-
Equally assertive and interpersonal reactive	0/0/0	0/-/0	0/0/0	0/0/0
Presentation: Clientele	0/0/0	+/0/-	0/0/0	0/0/0
Presentation: Finance	-/+/0	0/0/0	0/0/0	-/0/0
Entrepreneurial skills	+/0/-	0/0/0	0/0/0	+/0/-
Entrepreneurial knowledge	-/+/0	+/0/-	0/0/0	0/+/0
Cluster variable of Testscores	0/0/0	+/-/0	0/0/0	0/-/0
Financial Needs	0/0/0	0/0/0	0/0/0	0/+/0
Basic Competencies	0/0/0	0/0/0	0/0/0	0/0/0

⁺ indicates a significant (at least on the 10% level) positive marginal effect

⁻ indicates a significant (at least on the 10% level) negative marginal effect

⁰ indicates no significant marginal effect

^(a) The marginal effects for the multinomial logit model are derived for each category. The first sign in each cell corresponds to the probability to be in self-employment, the second one to regular employment and the third one to unemployment. For example, the combination (+/0/-) in the second column of line 1 means, that the test variable ‘need for achievement’ significantly increases the probability to be in self-employment, decreases the probability to be in unemployment and has no significant effect on the probability to be in regular employment.

Full estimation results for the subgroups are available on request from the authors.