

Hunting the heffalump: Just who is an entrepreneur?

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Many years ago, in 1971, Peter Kilby wrote that understanding entrepreneurship is like hunting a 'heffalump,' a fictional elephant-like creature from *Winnie-the-Pooh*.

Many claim to have captured it, but their descriptions do not match and no two agree on what it looks like. After centuries of research, we are still arguing about what an entrepreneur really is. Is an entrepreneur a risk taker, an innovator, a manager, a social outsider or just someone who got lucky?

If you look around India today, you will see this confusion in everyday language. A vegetable vendor who adopts UPI, a startup founder in Bengaluru, a second-generation owner of a family business and a social entrepreneur in a village are all called 'entrepreneurs,' but we rarely mean the same thing in each case.

The word 'entrepreneur' entered economic writing more than 200 years ago. In the 18th century, Richard Cantillon

described the entrepreneur as an uncertainty bearer. In the 19th century, during the Industrial Revolution, Jean-Baptiste Say saw the entrepreneur as someone above the capitalist, who moves resources from lower to higher productivity.

The 20th century changed the picture again. Frank Knight drew a line between risk and uncertainty and argued that entrepreneurs make decisions when the future cannot be calculated. Joseph Schumpeter then turned the entrepreneur into a central figure of 'creative destruction,' the innovator who reshapes markets. Israel Kirzner focused on the entrepreneur's alertness to price gaps and market imperfections.

More recently, Peter Drucker argued that entrepreneurship is a discipline that can be learnt, "a purposeful and organized search for a change." Howard Stevenson, whose definition is now standard in many business schools, describes entrepreneurship as the pursuit of opportunity regardless of the resources currently under one's control.

But others were looking elsewhere. In the early 1900s, the sociologist Max Weber argued that Protestant ethics helped create entrepreneurs and, with them, capitalism. Other religious traditions, he suggested, did

not shift their work ethic towards systematic wealth creation the same way.

Mark Granovetter extended Karl Polanyi's idea of 'embeddedness' into the study of social networks and wrote that all economic actions are embedded in human relationships. In this view, entrepreneurship is not only about who you are, but also about whom you know. Displacement or marginality theories add that many entrepreneurs begin as social outsiders, such as immigrants or religious minorities who may find that conven-

tional career options are limited and so turn to entrepreneurship.

Psychologists turned inward, asking if there is a characteristic entrepreneurial personality. David McClelland, after experiments in Andhra Pradesh and other locations, argued that entrepreneurs tend to have a high need for achievement. Julian Rotter focused on 'locus of control' and suggested that entrepreneurs are more

likely to believe that outcomes depend on their own actions, not on external forces.

A simple way to summarize these perspectives is to say that economists ask *what* the entrepreneur *does*, psychologists ask *who* the entrepreneur *is* and sociologists ask *where* the entrepreneur *came from*. Kilby's heffalump is hard to catch because each group is examining a different part of the same animal, so to speak.

Recent work in entrepreneurship has tried to bring these strands together. Scott

Shane and Sankaran Venkataraman describe entrepreneurship as a nexus between people and opportunities. Economists were right to focus on opportunities and psychologists were right to focus on individuals, but each was incomplete on its own. It is the connection between a particular person and opportunity that matters, like a specific location on a map.

After years of having interacted with entre-

preneurs in India and elsewhere, I find myself aligning with Drucker: Entrepreneurship is a discipline, and it can be learnt. Entrepreneurs, in this view, need a bias for action. Recent scholars have argued that we should move from asking who an entrepreneur is to examining what entrepreneurial action looks like.

So where does that leave us? After over 200 years, we still do not have a single neat definition of 'the entrepreneur.' But we are getting better at understanding what entrepreneurs do, how they notice, interpret and act on opportunities in uncertain and complex environments.

Kilby's heffalump may never be fully captured, and that might be the point. In a world where a street vendor with a QR code, a tech founder fresh out of college and a woman reviving a family craft business can all be called entrepreneurs, a single definition will always fall short.

Perhaps the more useful task, for scholars and policymakers, is to pay attention to entrepreneurial action: where it emerges, how it is enabled or blocked, and what it changes. If we can learn to recognize and support that action, the missing definition may not trouble us quite as much.

QUICK READ

For over 200 years, academics across the disciplines of economics, psychology and sociology have tried to define 'the entrepreneur,' but they all say something different.

That may be because they focused on different aspects of who an entrepreneur is. It may be more useful to pay attention to entrepreneurial action and what gets in its way that mustn't