

Saimaa University of Applied Sciences  
Faculty of Business Administration, Lappeenranta  
Degree Program in International Business  
International Business

Mikael Nicholas Turner

# **An Exploration into Characteristics Micro and Small Businesses are Looking for in Their Employees**

Thesis 2013

## **Abstract**

Mikael Nicholas Turner

An Exploration Into Characteristics Micro And Small Businesses Are Looking For In Their Employees, 32 pages

Saimaa University of Applied Sciences

Faculty of Business Administration, Lappeenranta

Degree Program in International Business

International Business

Thesis 2013

Instructors: Lecturer Ville Lehto, Saimaa University of Applied Sciences

Degree Program Manager Heli Korpinen, Saimaa University of Applied Sciences

The objective of this study was to explore the general characteristics of employees and define those characteristics in which micro and small business entrepreneurs are looking for.

A qualitative approach using thematic analysis was chosen as the methodology. Semi-structured open-ended interview were conducted to collect the data. Three candidates were chosen to be interviewed because of their positions as micro business entrepreneurs. With concerns for maintaining the validity of the data, recordings were made from the interviews and then transcribe, thus ensuring the protections of the data.

The results found that amongst all things, trust was the most important characteristic entrepreneurs wanted in their employees. Several subthemes were also listed as important to entrepreneurs, which include team player, network, cost of training, honesty and business conflict, and distinction between ability and work-ability.

Keywords: Exploration, Character, Characteristics, Employee, Entrepreneur

## Table of Contents

1	Introduction .....	1
1.1	Background of the study .....	2
1.2	Objectives .....	3
1.3	Limitations and delimitations .....	3
1.4	Research question .....	3
2	Theoretical Framework .....	4
2.1	Ideas and thoughts leading up to the thesis .....	4
2.2	Building block of the theoretical framework .....	5
2.3	Definition of character and characteristics .....	6
2.4	Common problems in the interviewing process with potential employees .....	7
3	Empirical Research .....	8
3.1	Research method .....	8
3.1.1	Qualitative research .....	9
3.1.2	Data collection .....	9
3.1.3	Analyzing method .....	11
3.2	Interviewing the candidates .....	12
3.3	Results from the interviews: .....	13
3.3.1	Codes list and definitions .....	13
3.3.2	Codes organized by value count .....	16
3.3.3	Trust and subthemes .....	19
4	Discussion .....	22
4.1	Validity and reliability .....	24
4.2	Saturation point .....	25
5	Conclusion and recommendations .....	26
6	Figures .....	27
7	References and sources .....	28

# 1 Introduction

Every growing business needs employees. It is especially important for micro and small businesses to recruit the right kinds of employees because of their inherent vulnerabilities, due to their small size. Larger companies have more employees, so having one or two bad apples out of the bunch will not significantly affect the company as a whole. This is not the case for micro and small businesses. One or two bad apples could be more than 50 percent of a company's workforce. That is a significant number and the consequences of having a bad employee(s) should not be underestimated.

Finding the right kinds of characteristics in a new employee is an arbitrary task for the employer. A lot of thought of what is needed from the position that will be filled must be done. If done correctly it can have positive affects towards the growth and overall success of the company. Simple things like being open to learning or being enthusiastic about the work itself could change the work-environment towards a more positive work atmosphere. A positive kind of working dynamic is priceless because it creates an environment of potential.

This information is not just for the entrepreneur and manager club. This really can apply to anybody. Understanding who you are along with the people around you and why things are that way, can give you a more in depth understanding at how the world around you works. Generally, understanding how things work and why they work the way they do empowers the people with that knowledge.

This introduction section will discuss briefly the background of the study, objectives, limitations and delimitations, and the research questions that this thesis is asking.

## **1.1 Background of the study**

This is an important topic and is worth researching because the information that is researched can potentially show interested individuals what qualities to look for in a potential employee, or it could serve as a reminder of what general qualities should be focused on.

Interest in this topic came from another previous research question idea, “how do you challenge people appropriately”. Or from a more practical view, how can a manager know what challenges he or she could give to specific worker to accomplish their goals in the most effective and efficient way. What would that manager have to understand about his or her subordinates, especially in a situation where the subordinates are unfamiliar to the manager? The idea here was to find the quickest way to evaluate individuals, to get to know that person’s skills and traits, in order to allocate those specific tasks that suit their personality best. This begins to sound like another familiar situation, interviews. A company will always interview its employees before they are trusted enough to work there.

As a manager, when you work in a pre-arranged group you do not always have a chance to interview your co-workers or the subordinates you are provided. You do not know how disciplined or motivated they are. You are just stuck with them. In this kind of situation it is important to get to know the subordinates and co-workers as quickly as possible, in order to be efficient at your job.

Several friends of the author have their own small business. How would they go about finding workers? What do they think is the right things to look for in a person’s character or personality traits? Could these opinions be compared? What are the modern interviewing processes for small businesses? How can you find those traits that they described? These are the kinds of questions the prompted interest in this study.

Are there particular things that shine out, that are so general they form the foundation of a person's work ethic? How might you "identify candidates who can meet and exceed performance standards" (2)? Does a person's emotional intelligence really "lie beneath great performance" as suggested by Adele B. Lynn (1). These are some questions that can give you an idea in the direction this thesis is going to go.

## **1.2 Objectives**

The objectives of this thesis are to explore the general characteristics of employees and define those characteristics in which micro and small business entrepreneurs are looking for. It will examine things that can potentially assist employers looking for the right employees. It will explore what real life business owners have experienced, feel about the topic, and ultimately the characteristics they want from employees.

## **1.3 Limitations and delimitations**

This thesis is looking at exploring what kinds of employee characteristics best suit micro and small business entrepreneurs from the view point of the entrepreneur. It will explore themes, both positive and negative, based on personal experiences and feelings. This thesis will not be a guide on how to conduct an interview. Instead it might be used to highlight landmarks that can assist in the process of finding and choosing potential employees; to help the individual become aware of what is needed by looking at their own characteristics and others. It will not look at their needs, but wants. This thesis is not aiming to solve a problem with its findings. It is meant to explore into the topic and, at most, assist an individual looking for a new employee.

## **1.4 Research question**

This research question is simple, straightforward, and it gets to the heart of the topic. "What characteristics is a micro or small business entrepreneur searching for in an employee"? When this question is answered, from the perspective of the employer, it will give the necessary knowledge to empower the individual to seek, find, and choose the most relevant qualities they need in an employee.

## **2 Theoretical Framework**

This section will discuss the framework that was used in order to help explore into the research questions. This section will discuss the authors own ideas and thoughts that lead to this thesis, the definitions of character and characteristics, and common issues in the interview process.

### **2.1 Ideas and thoughts leading up to the thesis**

A large portion of the framework used was created from the authors own curiosity though simple thoughts and questions. The following are questions that lead this research in the direction of exploring employee characteristics include:

- How do you appropriately challenge employees? If you make things too easy or too hard motivation will decrease.
- How do you gauge or evaluate employees? This could include things like their abilities, skills, knowledge, tolerances, capacity, and willingness. A young graduate versus an experienced employee will have many differences between them. The same is true for optimists and pessimists.
- How should a manager challenge employees if he or she does not know them?
- What are challenges made up from, its component parts? The definition of challenge is a “difficulty in a job or undertaking that is stimulating to one engaged in it” (3). The key word in this definition is “stimulating”. Stimulating things can lead to motivation, and motivation can come from a positive or negative source. Providing challenges is a means to establishing trust.
- What are employees intrinsic and extrinsic needs and wants? Do both of these need to be satisfied before a person is motivated or is just one sufficient?

Some logical thinking went in the question “how do you gauge or evaluate employees”:

- Evaluating employees is a great way to find out how they are doing. It is not the same, or should not be looked at in the same way as knowing how to challenge the employees. You might have a contract with an employee who does not perform well at work, and unfortunately for you, you cannot get rid of them until the contract expires. Instead of accepting and leaving it as a bad situation, could you change it? How might you challenge them in order to get the maximum amount of performance during the time they are with you? Perspective is the key.

## **2.2 Building block of the theoretical framework**

Most information comes from the perspective of others on what characteristics business employees should have, and not from the micro and small business entrepreneurs themselves. Most sources also do not specify if they are referring to small, medium, or larger businesses. The ones that state the information is for small businesses do not specify the business size definition they use. The business size definition changes from country to country. The EU defines a small business by having less than 50 employees (16, p. 14). In the United States it can be complicated to define a small business because it could be defined by several different factors such as industry, revenue, or market share. The numbers can go to 100 or even 500 employees (17). This thesis is mainly focusing on businesses with 15 employees or under.

Regardless of the size there is still recognition by professionals that a person’s skills for a job are not the only thing that matter in a new employee, and that a person’s character can contribute or hinder a company greatly (15). One example could be the taken from the paper “The Relationship Among Goal Setting, Optimism, and Engagement: The Impact On Employee Performance”. Here the authors of the paper looked into these three factors and were able to identify that high level of optimism can lead to improved employee performance. So by hiring optimistic people and creating this optimistic subculture within the company, employee performance levels will rise (21, p. 51 – 56.)



The following lists will give some examples from reputable sources of characteristics employees should have.

In 1994 a survey went out to over 600 businesses, industries, and governmental organizations asking them to rate 65 factors regarding the hiring new college graduates. The factors that were rated “almost always important as a job performance indicator” were sincerity, eagerness, decision making skills, critical thinking, initiative, professional attitude, and oral communication and verbal skills (20.)

Joseph Hadzima, a senior lecturer at MIT Sloan School of Management, lists seven characteristics of highly effective entrepreneurial employees. Those include ability to deal with risk, results oriented, enthusiastic and energetic, growth potential, team player, multitasking ability, and improvement oriented (18.)

Forbes magazine contributor Ken Sundheim listed 15 traits he thinks ideal employees should have. Those traits include action-oriented, intelligent, ambitious, autonomous, display leadership, cultural fit, upbeat, confident, successful, honest, detail oriented, modest, hardworking, marketable, and passionate (19.)

### **2.3 Definition of character and characteristics**

It is important that we define what is meant by ‘characteristics’ in the content of this thesis. Character is “the aggregate of features and traits that form the individual nature of some person or thing” (4). Characteristic is then “pertaining to, constituting, or indicating the character or peculiar quality of a person or thing” (adjective) or “a distinguishing feature or quality” (noun) (5).

There is a problem with this definition though. It does not clearly separate skills and talents from the characteristics of a person. Skills and talents add a new dimension that this thesis would like to exclude. The reason for this is because not all skills and talents make up a person's character. For example, a person who practices to improve their typing speed, even on the days that person does not want to, has a hard working, stick with it, attitude. You could easily say this determination is a part of their character. That person probably can easily apply this attitude to another skill. The actual skill of typing 50 or 60 words per minute is not a part of their character. It is just a skill that can simply be learnt. This might be a handy thing, but it is not what we are searching for.

To further expand on characteristics one has to remember that some characteristics are intrinsic and some are extrinsic. The latter comes from our environment, whether from home or work. Our characteristics affect and lead to our behaviors. The same can be true about our behavior affecting and leading to our character.

## **2.4 Common problems in the interviewing process with potential employees**

Interviewing potential employees is a great way to gain some inside information about them. But interviews come with their own limits. The following is a list of common problems that might be faced during the interviewing process. The points from this list came from an article written by Dr. John Sullivan. The article listed the top 50 most common interview problems, but only a hand full were chosen here due to their applicability to this thesis (6.)

- Questions are inconsistent and are not asked from every person that is interviewed.
- Questions are not weighted or prioritized properly. "Minor questions receive the same weight in the final rating as the most important ones".
- Interviews are inherently misleading to where candidates are not always acting as they normally would. It might be because they are nervous.
- Candidates just might say what the interviewer wants to hear, instead of more truthful statements. The interviewer might do the same.

- Interviewers might ask questions relating more to the past and fail to ask about the future, specifically how the individual might solve forecasted problems.
- The interviewer dismisses people based on personal prejudices or “arbitrary knockout factors”.
- The interviewer focuses on negative factors and looking for reasons to reject the individual.
- The interviewer focuses on one or couple of positive characteristics and assumes everything else about the individual is positive because of that. This is known as the Halo Effect.
- “If an interviewer has several bad interviews in a row, the next person who performs much better may be inaccurately rated as outstanding, simply because they are so much better than the recent poor performers. The reverse effect is also possible.” This is known as the contrast effect.
- “Shy, nervous, and slow people can be assessed poorly even though the job does not require speaking up or boldness.”

### **3 Empirical Research**

This section will go over the research method used, how the data will be collected, how the data will be analyzed, and why it was chosen to be done in this way. It will then go on to describe the interviews and interviewees that participated, along with issues during and after the interview process. Finally the results from the interviews will be presented in the form of codes and themes. The codes have been separated into two different sections. One will list the codes and their definitions and the other will list the codes by their value count.

#### **3.1 Research method**

This research gathered its primary data from the owners and entrepreneurs of small businesses through interviews. The reason for choosing this was because little to no prior research could be found specifically on the subject. It was determined that there was a need for an exploration into this specific subject and a qualitative method seemed most logical to do just that.

### **3.1.1 Qualitative research**

A basic distinction was made during the process of choosing which type of research should be applied to this thesis between qualitative and quantitative research. Qualitative research is an exploration into a subject to "develop an understanding of an issue" (7), while quantitative research is looking to confirm something within a subject to "recommend a final course of action" (7). It quickly became obvious that a qualitative research would be used since this was an exploration into the subject.

In this thesis the main advantage of qualitative research over quantitative is its ability to get in-depth information from interested individuals easily and more flexibly. Also, contextual details will not be missed as easily compared to using a quantitative method (8).

If a quantitative research approach were to have applied then a survey or questionnaire would most likely have been used to acquire the data. Questions generated for a survey must be well thought out in advance. There lies the biggest problem, something could easily be overlooked and left out. Open-ended questions could be used here to help alleviate that problem, but it seems this method was much more difficult and less likely to receive a written response from the candidates. Also, if open-ended questions were used it would have lead the research method towards a qualitative side. This might have led to things down a more complicated route.

### **3.1.2 Data collection**

After deciding that a qualitative research method would be used, interviews were quickly chosen as the method to collect the data. Reasons for using interviews as a means to acquire the data include the following:

- The quality of information is much higher because you can get more in-depth answers from the respondents.
- Provides a wider view of the whole topic.
- Less work with a higher outcome (9.)

Reasons for eliminating other methods as a means to acquire the data include the following:

- Even though surveys and questionnaires are very reliable tools, the context in which they are used determines how valuable the results will be. Asking the right questions will help with that. Unfortunately this is not the case for this thesis, since it starts at the beginning of the topic and explores from there. This thesis is not trying to prove anything, but instead explore into the subject.
- Structured interviews pre-plan all questions before the interview takes place. The reason for this is because it allows for an “exact replication of the interview with others” (9). The key here is replication and reliability of the information. You normally see questionnaires and surveys used for this.
- Questions and topics might be overlooked, thus not studying the research question properly or to its full potential.

Before the interviews took place it was preplanned that they would be recorded and that a list of questions would be available to ask if in case the interviews required so. This was to generate conversation and ideas. Semi-structured open-end interview questions were specifically chosen to be used because of the flexibility in direction they allow the conversations to go. For example, the interviewee can be asked a question relating to the thesis topic and from there he or she can say whatever they feel like. The direction has been given, but they are in control of where they want to go or what they want to say. This provides the potential for more in-depth information, otherwise unobtainable through surveys due to their limiting framework, because they can draw up thoughts based on personal experiences.

Audio recording were to be used for those interviews that would take place face-to-face and a video recording for those taking place over VoIP (Voice over Internet Protocol), in this case Skype. Errors would easily occur if hand written notes were to be used, which would affect the validity of the data.

### 3.1.3 Analyzing method

After deciding how the data was going to be collected methods on how to analysis the data were explored. Several options were found and include grounded theory, discourse analysis, and thematic analysis. Thematic analysis consistently popped up in the majority of the search results, and after reading into these different methods thematic analysis was finally chosen as the method of analysis to be used in this thesis. One reason for choosing it was because of the simplicity to define what needed to be done. It was also recommended by several sources because its accessibilities towards beginners compared to these other methods.

*“Thematic analysis is a method for identifying, analyzing, and reporting patterns (themes) within data. It minimally organizes and describes your data set in (rich) detail”* (13). Thematic analysis takes data that has been collected and transcribes it into a written form. From this form the researcher can create codes and themes based on the research question. A code is defined as *“single ideas associated with a segment of data, and consist of pithy labels identifying what is of interest in the data (in relations to the research question)”* (10). Codes can then be put together to form themes. A theme is defined as *“a common, recurring pattern across a dataset, clustered around a central organizing concept”* (10).

Once all the interviews have been conducted and recorded they can then be transcribed word-for-word. From these transcriptions codes and themes can be created. (9) By recording the interview the validity of the data can be protected. The researcher knows enough data has been collected when the saturation point has is reached. The saturation point refers to a “point at which new participants no longer provide new information “(14, p. 12- 13.)

### **3.2 Interviewing the candidates**

Three candidates were chosen for interviews. Interviewing them will give this thesis the data required on what real life business owners have experienced and feel about the topic. The data then can define those characteristics in which micro and small business entrepreneurs are looking for. That information then can potentially assist employers looking for the right employees.

These candidates were chosen because all of them have different experiences with employees. One candidate had employees at the time of the interview, one candidate did not have any employees or experiences dealing with employees at the time of the interview, and the last candidate did not have employees during the time the interview took place, but had employees in the past. These three candidates will provide a wider picture of the topic because of their different experiences and perspectives.

All interviews were recorded, as mentioned earlier. Two were recorded with audio only, and one with video plus audio. The audio only recordings were conducted by face-to-face interviews, and the video recording was done through Skype interview.

Candidate number 1 is from Taiwan and has been running her own cram school, or preparatory school, for over ten years in Taipei, Taiwan. She employs up to 12 people. This interview was conducted using Skype due to her location.

Candidate number 2 is from Finland and has been running his own gym for two years in Lappeenranta, Finland. He currently does not have any employees. This interview was conducted in person, face-to-face, due to his location.

Candidate number 3 is from Lebanon and has been running his own kebab and pizzeria for more than five years in Lappeenranta, Finland. During the time the interview took place he did not have any employees. This interview was conducted in person, face-to-face.

### **3.3 Results from the interviews:**

Many codes themes were generated during the analysis process. This kind of analysis requires a subjective perspective from the individual analyzing the data. The lists were chosen based on the author's perspective from reading the data. It must be noted that since the source of the data here comes only from three different people, this is only a generalization of the topic. The results might not necessarily apply to other entrepreneurs and companies.

#### **3.3.1 Codes list and definitions**

The following is a list of codes and their definitions, created from the transcripts of the interviews conducted from all three candidates. Definitions are in context from the candidate's interviews. Similar codes from different respondents have already been combined. Note, these codes are in the order in which they were created.

##### **Communication**

Communication refers to the ability to express one's self understandably along with understanding others expressing themselves. Good communication here does not necessarily mean having and using a large vocabulary. It means that the individual understands what others are trying to convey and are able to convey their message to others.

##### **Trust / trustworthiness**

Belief one instills onto others. Here it is referring to belief in "getting the work done" or not telling company secrets to others outside the company etc.

##### **Honesty**

Telling the truth to others and one's self and avoiding all forms of lying.



**Network**

A group of people, individually known by a particular person, who's relationship can be tracked back to a common theme, such as work. In this case it refers to candidates and the people they know relating to or around their work.

**Resourceful / prepared**

Having different ways to resolve any problem.

**Quick witted / smart / clever**

Being able to come up quickly with a solution or an answer to a problem. This is also referring heavily to being prepared.

**Understands his or her strengths and weakness**

Knowing personally what things you are good at and what things you are not so good at. This is referring to knowing when to listen, pay attention to others opinion or advise, etc. instead of insisting you are always correct. Having an understanding that you can fail.

**Passion / motivated / willing**

Having a personal urge to do the work and to do it to the best of your abilities.

**Positive attitude / enthusiastic**

Having a "can do" feeling towards work. Being interested in the work.

**Team player**

The ability to work with others to solve problems. Being reliable along with relying on others to accomplish a larger goal.

**Talk / open (Personally)**

Become friends with those working around you.

**Responsible / professional**

Doing what you say you are going to do. Making sure everything surrounding your job is working.

**Hard working / active / independent**

This is referring to responsible and professional. Doing your work to the best of your abilities without having to be told or told constantly. Some days are better than others, but as long as you try your hardest everyday you'll meet the quota. Can think logically

**Understanding / emotional intelligence**

Having an understanding in a situation, while dealing with people, and knowing what course of action should be taken.

**Creative**

Finding unique ways to make the work effective, efficient, enjoyable, etc.

**Friendly**

This refers to being easily approachable.

**Helpful**

The ability to help others when asked to do so.

**Confident**

Sure of one's self.

**Social**

Enthusiastic about talking to other people. Not afraid to make conversations with strangers at work.

**Looking for opportunities**

Actively searching for chances for success.

## **Punctual**

Consistently arriving on a time that was previously agreed upon.

## **Respectful**

Showing deference (11). This is referring to the employers wishes.

## **Business and honesty conflict**

Full honesty with customers has led to undesirable outcomes. For example, a sales person's honest opinion to a customer about a product he did not care for, but was selling at his store, led to the circumstance that did not result in a sale.

### **3.3.2 Codes organized by value count**

The following is a list which combines codes that were mentioned by all candidates, two candidates, and just individual candidates.

List of codes valued by all candidates:

- Trust / Trustworthiness
- Network
- Passion / Motivated / Willing
- Responsible / Professional
- Team player

List of codes valued by some candidates:

- Honesty
- Positive attitude / Enthusiastic
- Hard working / Active / Independent
- Respectful
- Business and honesty conflict

List of codes valued by one candidate:

- Communication
- Understanding
- Resourceful / Prepared
- Quick witted / Smart / Clever
- Understands his/her strengths/weakness
- Talk / open (Personal)
- Emotional intelligence
- Creative
- Friendly
- Helpful
- Confident
- Social
- Looking for opportunities
- Punctual

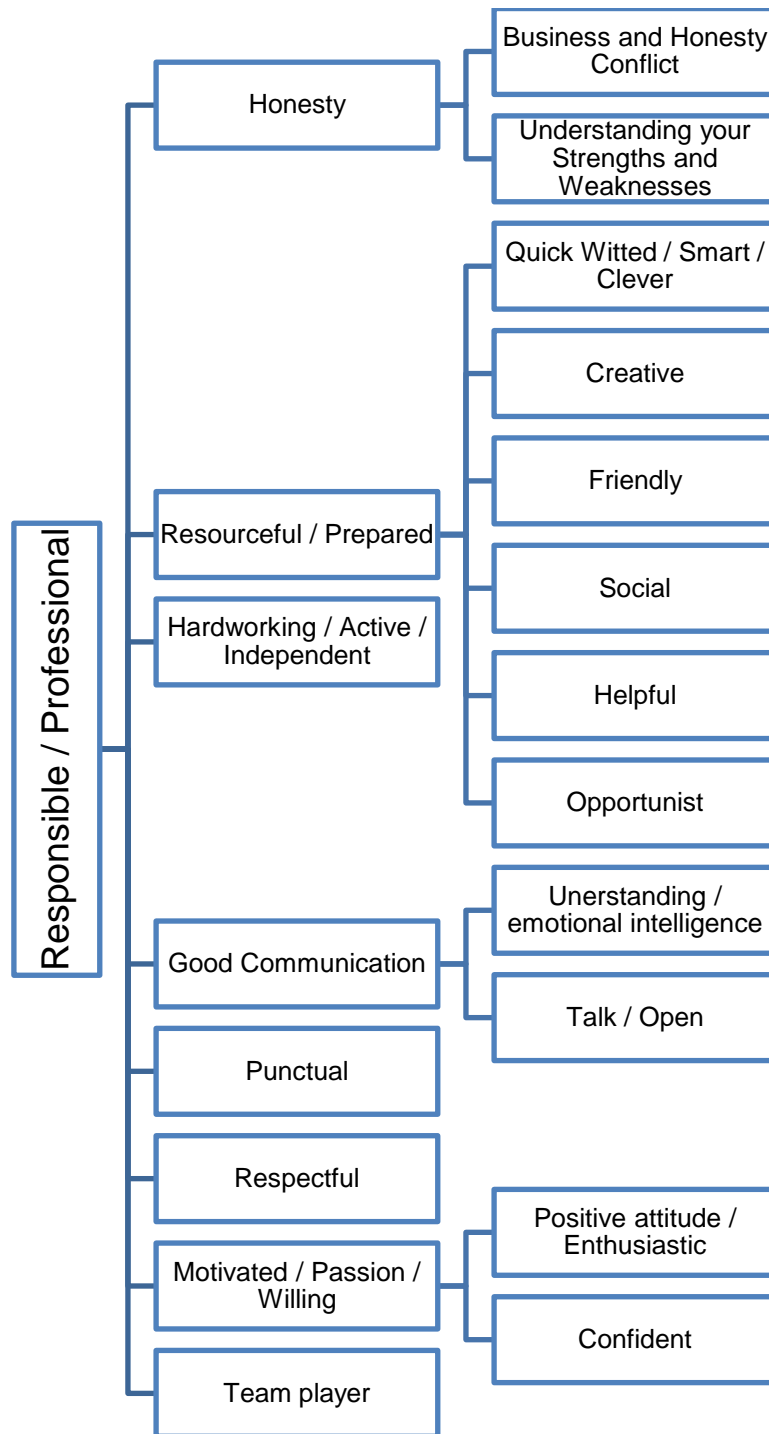


Figure 1. Responsible / Professional Hierarchy (This is an illustration of the author's interpretation of the data. It is representation of all the data collected from each participant stitched together. Note, trust and network have been left out in this illustration because the illustration has been cut into two pieces. Those can be viewed below.)

### 3.3.3 Trust and subthemes

After the interviews were conducted, recorded, transcribed, coded, and analyzed one theme became apparent. Everything led to or came from trust. It is the trust the employer wants from his employee. It is the trust that the work will get done. It is trust that the employee will do the job ask of them.

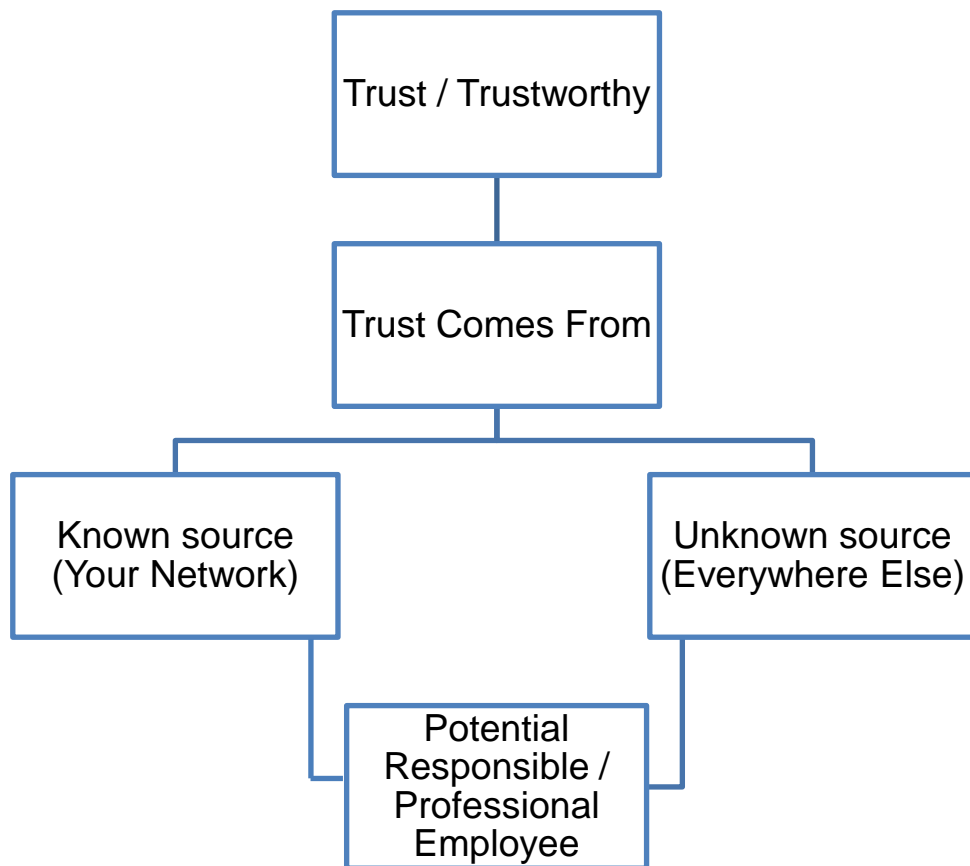


Figure 2. Trust Hierarchy (This is an illustration of the author's interpretation of trust and the hierarchy that leads to it.)

## **Team player**

Being a team player is a major subtheme. All three candidates talked about situations that related to this. Avoiding negative people or negativity in general and letting go of bad workers, along with creating a good atmosphere and being surrounded by people who will help you accomplish your goals were things that were discussed. Candidate number one said that she cannot do all the work by herself. She needs a team to help her solve the problems she faces.

## **Network**

Employees and or potential employees can come from two different places. They can come from a known source or an unknown source. A known source is from a person's own network. They have some sort of relationship with the individual. An unknown source is from outside that person's network. They can come from anywhere.

During the interviews all candidates discussed the people who surround them in their work. They did not all refer to people that work for them or could work for them, but they discussed about those who are in the same field. One interviewee told that she rarely took people she did not know simply because she did know if she could trust them. She went on to describe that it is less risky to hire someone you know or that has been referred to you, rather than someone who just shows up and asks for a job. She could not completely know how that person will work, so there was little trust. Every employee has been at one point her student.

Candidate number three described how he hired people outside his network and how they have negatively affected him and his business. By hiring people he did not know and trusting them, information was taken outside of his business to his competitors. Secrets were lost.

### **Cost of training**

Skills can be learnt, the job can be learnt, even characteristics can be learnt, but the last of the three has a much higher price than the first two that not so many employers are willing to pay for. The cost of training is a good subtheme because how do you answer the question “when is it worth paying for someone to learn”? Being able to answer this question will give the individual a better understanding of themselves and there for a better understand of what they need from the people they hire.

### **Honesty and business conflict**

When analyzing the data, it was noticed that two of the interviewees described situations were honesty and business conflict. They had personally experienced time when they wanted to tell their own honest opinion to others during work. They both recognized that by doing so they would hurt their own business. It is similar to the home situation were the wife asks her husband “do I look fat in this dress”. The wife might be overweight and saying she looks fat might be the truth, but everybody in the end gets hurt from saying that. When is it appropriate to be honest? When is it inappropriate to be honest? This is an important subtheme because too little honesty can lead to lying, but too much can also get you into trouble. Shaw said “I am afraid we must make the world honest before we can honestly say to our children that honesty is the best policy” (12).

### **Distinction between ability and work-ability**

There is a big difference between being capable of doing something and being capable of doing something at work. Candidate number one described a situation where she had an employee whose job was to teach English. This employee of hers graduated from Stanford University, a highly known and respected university in the United States. His qualifications appeared to be more than enough to teach English. There was a problem though, he treated his students as if they were mentally at the same level as himself, at an expert level. The students he was teaching were somewhere between the ages of 12 and 16 years old and the level of English being taught was somewhere between beginner and intermediate.



The interviewee went on to describe that the students could not understand him. They could not learn anything from him and did not enjoy the class, so everything done was in vain. This man had a lot of knowledge about the English language, but he had little knowledge in how to pass it to other on a lower level and unfortunately he could not change his methods to accompany them. She described what she learnt, "I do not care where you come from, I just care about your passion". (22) This man lacked a vital characteristic, passion. Passion, motivation, or willingness to get the work done, which in this case meant getting the children to understand English.

#### **4 Discussion**

It is impossible for any individual to predict exactly how effective a new employee will be at work. The dynamics of people are just too complicated, and not all relevant information can always be obtained. The only way to truly get to know a person's character is through time and experiences with the individual. The most we can ever do is guess. To a limited degree a certain amount of uncertainty and risk can be eliminated.

One question every entrepreneur will have to ask is before hiring an employee is "how big of a risk am I willing to take on this person".

The key, it seems, is not just finding the perfect employee. It starts with the entrepreneur's understanding his or her own needs. They need to figure out what kind of person they are in order to have some inclination on the kind of person they need or want working with them.

Some people like to talk openly. They are friendly in this manner and they appreciate others who are similar. They prefer having to deal with others like themselves because everyday communication is more predictable and enjoyable. If you were to stick a talkative person in the same room with someone who prefers silence, awkwardness would surely ensue. Even worse is if you were to put a person with a consistently negative attitude towards finding solutions in this same situation.

If trust has been lost before from previous experiences a person might be more reluctant to trust again due to the fear of it happening again. Becoming aware of this fear will help aid an individual in the choices they make because they will be less likely to make irrational decisions and more likely to base decisions on facts.

The author believes when a person's goals are clear it is much easier to make difficult, but necessary choices.

An indicator for trust comes in the form of predictability. For example, a diploma is a form of trust. It is well known how an individual must acquire it. It takes years of schooling and generally only comes through hard work and persistence. Different levels of education along with higher degrees show a level of discipline, but this is a limited perspective. Upon see a degree one cannot conclude how motivated, hardworking, or how much of a team player someone is.

When asked what kind of person you are looking for, candidate number two stated it in the simplest way, "a kind of copy of me". It is the authors opinion that most, if not all successful entrepreneurs are hardworking, active, and highly motivated people.

Being able to priorities characteristics is something very important that this thesis has found. All businesses are different, but more importantly all business owner are different. Some are more social than others. Some prefer more honesty than others. The important thing is that the entrepreneurs ask themselves what they want and what their businesses need.

Looking for indicators of trust is another thing entrepreneurs should keep in mind. A diploma is a form of trust (education), experience is a form of trust, and recommendations are forms of trust. There are many different kinds of trust. Do not just trust ability, trust work ability.

Reflecting back on the lists in sections 2.2 defined by the 1994 survey of 600 businesses (20), and the opinions of Ken Sundheim (19) and Joseph Hadzima (18), several of the characteristics we able to be match to the list created by the author from the interviews with the candidates. Those include:

- Enthusiastic
- Team player
- Improvement oriented → looking for opportunities
- Result oriented → responsible / professional
- Autonomous → independent
- Confident
- Honest
- Hardworking
- Passionate → Passion
- Professional attitude → responsible / professional
- Communication

The author feels that this shows a need for this research was justified. Employee characteristics needed by companies and entrepreneurs can be very specific.

#### **4.1 Validity and reliability**

Some technical issues along with set up issues occurred during and after the interviews. Two of the candidates were unable to make time outside of work to conduct the interviews. Those interviews took place during working hours. Background noise was a major issue there. Several interruptions occurred during those due to customers coming in and requiring assistance or even just saying hello, although those were more of an inconvenience rather than an issue.

During the process of creating the transcripts from the recordings several issues were noticed. The most common was the inaudibility of some words or sentences mainly due to loud background noise. Those occurred only for the audio recordings. The author feels that this did not really impact the validity of the data since only a few words were inaudible at a time and the message was still able to get through.

From the video recording, glitches from the program used made things confusing. The most common issue here was that the recording was out of sync with itself. The author noticed in the recording that the interviewee would answer questions before the interviewer asked them. Either the author found a rip in the space-time continuum or this was a technical glitch that made things more complicated than they otherwise had to be.

#### **4.2 Saturation point**

Concerning the saturation point, the author has mixed feelings about if it was reached. The overall theme of trust was more than apparent, through all the evidence given by those who were interviewed. No new data would be required to prove this. In this sense the saturation point was reached. However, subthemes have painted a different story. They are limited in their evidence and how often they occur in other entrepreneurs needs to be researched further. This is where generalization of the data comes into play. Those subthemes might not ring true for all entrepreneurs. We cannot use this generalization as proof of anything in the same way that stereotyping a specific culture or race cannot prove how individuals of the cultures and races will behave, but we can use it as a guide. Overall though, the author feels that the goals of the thesis have been met.

## **5 Conclusion and recommendations**

This study was searching for the wants of entrepreneurs in context of employee characteristics. It was able to identify some characteristics, but more importantly the major theme of trust and several subthemes that lead to it. It was done by simply using semi-structured open-ended interviews to collect the data, without the data losing validity.

Several recommendations have been thought of during this thesis on the direction the research could continue. A similar research could be done, but from the perspective of individual cultures. It could look more closely into the details which entrepreneurs from different cultures value different characteristics. For example, the differences between Finnish and Russian characteristic preferences.

Another direction could also be similar to the last one described, but with a focus on specific fields of work. There could be a focus on the food industry, in education, or even a focus on fields that deal with manual labor.

Trust was the main theme this research found. It could be expanded though. Why do we trust people? Why do we distrust people? What leads to trust? Why do some people trust more than others? Is it intrinsic or extrinsically learnt? This is diving a bit into psychology, but if you were to add it into a business context it would make for some interesting research.

The subthemes listed above still hold mysteries and can be researched further. Maybe the most surprising and most interesting of the bunch is the business and honesty conflict situation. They probably occur more often than people think. It was noticed this quite quickly once mentioned because it has popped up before in life experiences. Why is there such a conflict? This topic seems to be heading towards ethics in business.

## **6 Figures**

Figure 1. Responsible / Professional Hierarchy, p.18

Figure 2. Trust Hierarchy. p.19

## 7 References and sources

1. Lynn, A.B. 2008. EQ Interview: Finding Employees with High Emotional Intelligence. Saranac Lake, NY, USA. AMACOM Books
2. Camp, R.R., Vielhaber, M. & Simonetti, J.L. 2001. Strategic Interviewing: How to Hire Good People. Somerset, NJ, USA. Jossey-Bass
3. challenge. Dictionary.com. Dictionary.com Unabridged. Random House, Inc. <http://dictionary.reference.com/browse/challenge>  
Accessed on 19 September 2013
4. character. Dictionary.com. Dictionary.com Unabridged. Random House, Inc. <http://dictionary.reference.com/browse/character>  
Accessed on 7 May 2013
5. characteristic. Dictionary.com. Dictionary.com Unabridged. Random House, Inc. <http://dictionary.reference.com/browse/characteristic>  
Accessed on 7 May 2013
6. Sullivan, J. Dr. 2012. What's wrong with interviews? The top 50 most common interview problems <http://www.ere.net/2012/01/30/whats-wrong-with-interviews-the-top-50-most-common-interview-problems/>  
Accessed on 19 September 2013
7. Mora, M. 2010. Quantitative vs. qualitative research – when to use which <http://www.surveygizmo.com/survey-blog/quantitative-qualitative-research/>  
Accessed on 19 September 2013
8. Neill, J. 2007. Qualitative versus quantitative research: key points in a classic debate <http://www.wilderdom.com/research/QualitativeVersusQuantitativeResearch.html>  
Accessed on 19 September 2013
9. Woods, M. 2011. Interviewing for research and analyzing qualitative data: an overview. Lecture notes. Massey University. School of Health & Social Services
10. School of psychology – leading psychological science, scholarship and practice. Frequently asked questions <http://www.psych.auckland.ac.nz/uoa/frequently-asked-questions-8>  
Accessed on 19 September 2013
11. respect. Dictionary.com. Dictionary.com Unabridged. Random House, Inc. <http://dictionary.reference.com/browse/respect>  
Accessed on 19 September 2013

12. I am afraid we must make the world. Dictionary.com. Columbia World of Quotations. Columbia University Press, 1996. [http://quotes.dictionary.com/I\\_am\\_afraid\\_we\\_must\\_make\\_the\\_world](http://quotes.dictionary.com/I_am_afraid_we_must_make_the_world) Accessed on 19 September 2013
13. Braun, V. & Clarke, V. 2006. Qualitative Research in Psychology - Using thematic analysis in psychology. Taylor & Francis Online
14. Morgan, April L. 2011. Investigating Our Experience in the World : A Primer on Qualitative Inquiry. Knoxville, TN, USA. University of Tennessee Press
15. Hayes, D., Ninemeier, J. & Woodbury, D. 2001. 50 One-Minute Tips for Recruiting Employees : Finding the Right People for Your Organization. Menlo Park, CA, USA. Course Technology / Cengage Learning
16. Enterprise And Industry Publications. The new SME definition. User guide and model declaration. [http://ec.europa.eu/enterprise/policies/sme/files/sme\\_definition/sme\\_user\\_guide\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf) Accessed on 19 September 2013
17. Small Business Size Standard. Guide to size standards. <http://www.sba.gov/content/guide-size-standards> Accessed on 19 September 2013
18. Hadzima, J. 2005. Seven Characteristics of Highly Effective Entrepreneurial Employees. <http://web.mit.edu/e-club/hadzima/seven-characteristics-of-highly-effective-entrepreneurial-employees.html> Accessed on 19 September 2013
19. Sundheim, K. 2013. 15 Traits of The Ideal Employee. <http://www.forbes.com/sites/kensundheim/2013/04/02/15-traits-of-the-ideal-employee/> Accessed on 19 September 2013
20. What employers want from college grads. (1994). Occupational Outlook Quarterly, 38(2), 42. Retrieved from <http://search.proquest.com/docview/218508441?accountid=27295> Accessed on 19 September 2013
21. Medlin, B. & Green, K., Jr. (2008). THE RELATIONSHIP AMONG GOAL SETTING, OPTIMISM, AND ENGAGEMENT: THE IMPACT ON EMPLOYEE PERFORMANCE. Allied Academies International Conference. Academy of Organizational Culture, Communications and Conflict. Proceedings. <http://search.proquest.com/docview/192410745?accountid=27295> Accessed on 19 September 2013
22. Interviewee # 1, 9 April 2013