

The Economic Psychology of Creating and Venturing: A Comparative Behavioral Portrait of Artists and Entrepreneurs

Arts, Entrepreneurship, and Innovation Lab

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Abstract

The similarities that exist for artists and entrepreneurs in areas of labor market environment, economic conditions, and perceived policy importance would seem to suggest similarities in their human capital. This study hypothesizes and compares the psychological and behavioral similarities of artists and entrepreneurs to specifically analyze the idiosyncrasies of the two groups. This study utilized an economic quasi-experiment to provide evidence of similarities and also differences between artists and entrepreneurs in terms of various psychological and behavioral tendencies. We compare these groups to each other as well as to a benchmark group of professional workers. Results indicate that artists scored higher than the entrepreneurs in the creativity and emotionality traits, while the entrepreneurs were demonstrated to have had higher levels of overconfidence and extroversion than the artists.

Introduction

In the current age of rapid change and opportunistic innovation, workers are required to engage tasks and responsibilities requiring high levels of individuality to remain competitive. Although artists and entrepreneurs operate in considerably different fields, the work produced by both groups is often non-routine, intuitive, and creative and requires subjectivity, acceptance of risk, and of the tension between individualistic vision and market appeal. This paper explores

psychological similarities between artists and entrepreneurs at an individual level to identify the congruent set of individual difference characteristics that distinguish both artists and entrepreneurs from other professional groups.

Design

216 artists, entrepreneurs, and other professionals from metropolitan areas of Australia were recruited for this study. Researchers conducted nineteen sessions, lasting an hour and a half each, with an average of thirteen participants in a lab. First, participants completed various experimental games and tasks including a two-part creativity task. Then, participants completed a questionnaire designed to gauge their personality, social value orientation, learning orientation, self-efficacy, impulsivity, and overconfidence. Responses were then categorized into a series of measures for data analysis. Various cognitive tests allowed the researchers to identify psychological overlaps and differences between artists, entrepreneurs vis-à-vis the benchmark group of professionals. The chart illustrates the shared characteristics between entrepreneurs and artists. When designing products for market entry, both groups must factor in their individual creative levels, amount of outside funding, subjective tolerance of risk, devotion to individual vision, and more.

Findings and Relevance

This study found that both artists and entrepreneurs exhibit higher self-perception of risk tolerance, creativity, openness to experience, and intrinsic motivation compared to the control group of other professionals. Artists scored higher in creativity and emotionality, while entrepreneurs scored higher in observed risk taking, overconfidence, and extroversion. There are both theoretical and practical implications for the arts and entrepreneurship according to this study's findings.

In terms of theory, this study provides a basis for further integration between the academic study of the arts and entrepreneurship that have previously developed independently. Practically, this study could make a significant case for further examination of how artists and entrepreneurs interact with their economic environments; identifying "favorable" attributes of human capital could assist in estimating artistic, entrepreneurial, and creative economy activity, and even help design and implement stronger social and economic welfare policies for artists and entrepreneurs.



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