

Entrepreneurship in Focus

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Crafts entrepreneurship: A new perspective on the role of the Big Five trait "conscientiousness"

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Summary

This paper presents new findings on the entrepreneurial role of the "conscientiousness" trait from the Big Five personality model, as illustrated by self-employment in the crafts sector. Unlike other occupational groups, a correlation between this personality trait and self-employment decisions is only evident in the crafts. This highlights the importance of conducting occupation- or sector-specific analyses of the effects of personality on entrepreneurship.

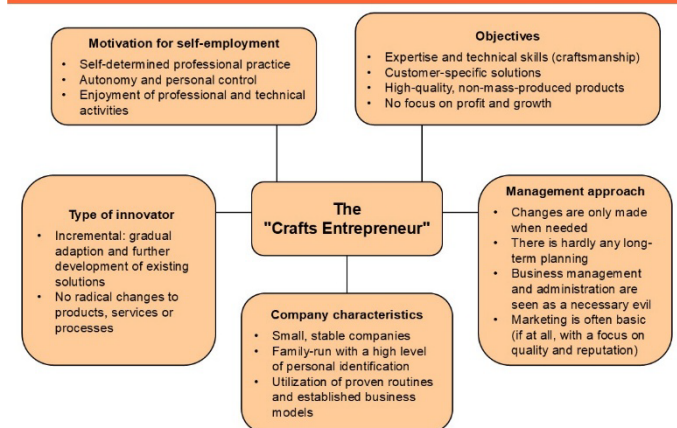
The relationship between personality and entrepreneurship has been analysed many times (e.g. Brandstätter, 2011; Caliendo et al., 2014). Corresponding studies consistently show that Big Five traits such as openness and extraversion, as well as more specific characteristics such as locus of control and a willingness to take risks, positively influence entrepreneurial behaviour.

On the one hand, the Big Five trait of "conscientiousness" could also have a positive effect given that it is associated with determination and self-discipline. However, if it is associated with excessive perfectionism and too much adherence to established routines, it could reduce the probability of starting a business. This may explain why the empirical evidence regarding its role in self-employment is inconclusive (see, for example, Brandstätter, 2011; Runst & Thomä, 2023). One possible explanation is that the influence of personality on entrepreneurial decisions differs by economic sector or occupational group — contrary to previous assumptions in the literature. Against this background, Runst and Thomä (2025) reconsider the role of the personality trait 'conscientiousness' by examining self-employment in crafts occupations.

The "crafts entrepreneur" in theory

According to an established typology, the "crafts entrepreneur" is a type of entrepreneur closely linked to craft-based activities (e.g., Miner et al., 1992; Solomon & Mathias, 2020). Consequently, his/her motivation for becoming self-employed is not solely economic success or the building of a business organization. The desire for self-determination and independence, and the enjoyment of practising a trade, craft or occupation, or of achieving personal goals such as acquiring professional and technical expertise, and continuously developing and improving products and processes, is often more important. Accordingly, innovations mostly arise incrementally through customer-oriented solutions in day-to-day business operations. Radical innovations or market upheavals are the exception.

Entrepreneur typological classification



Source: see literature overview in Runst & Thomä (2025)

The "crafts entrepreneur" usually takes a reactive management approach with a short planning horizon. They view administrative and managerial tasks as a necessary evil because they distract from the core professional activity. Marketing is rarely carried out systematically; if it is, the focus is on quality and reputation. Mostly small, these businesses are characterized by a high level of personal identification and a family-like atmosphere, which contributes to their long-term stability. Proven routines and established business models dominate. This minimizes entrepreneurial risk. Therefore, the "crafts entrepreneur" represents a type of entrepreneurship that prioritizes stability, professional and technical expertise, and personal fulfilment. This distinguishes it from growth- and profit-oriented forms of entrepreneurship. In principle, the "crafts entrepreneur" can be found in all sectors and occupational groups, but they are particularly prevalent in the crafts sector.

Conscientiousness and entrepreneurship

Conscientiousness is a personality trait encompassing characteristics such as ambition, self-discipline,

diligence, and a sense of duty. All of these factors can be advantageous in an entrepreneurial context. Perseverance, work motivation and goal orientation are particularly relevant aspects. Since people tend to choose professions that suit their personality, it can be assumed that conscientious individuals are drawn to entrepreneurship. However, very conscientious people can easily be overly perfectionist and have a strong need for stability and clear, proven routines. Consequently, they may choose to avoid the uncertainties and unpredictability of self-employment by opting for a more secure career path instead.

The situation can differ significantly in crafts occupations. Those who are highly conscientious strive for work environments in which they have personal control over the results of their actions, where the risk of failure is moderate, and where they receive prompt feedback on their performance. This aligns with the "Crafts Entrepreneur" type. Conscientiousness also has a positive effect on the continuous practice and perfection of occupational skills. The desire to practice a learned craft independently and to pursue personal expertise in this area requires a high degree of precision, quality and care in professional and technical activities – characteristics that are typical of both conscientious people and those who are self-employed in the crafts. Therefore, conscientiousness and crafts entrepreneurship should be positively linked.

Empirical results on the craft sector

Based on the German Socio-Economic Panel for the years 2005 to 2019, Runst & Thomä's (2025) results confirm the well-known effects of extraversion, openness, locus of control and willingness to take risks. These traits have a positive impact on self-employment decisions in both crafts and non-crafts occupations. Their analysis is based on a series of regression models (multinomial logit, random-effects panel model and ordinal logit), which use various indicators of self-employment and its performance. The main specifications have a sample size of around $n = 100,000$.

Indeed, a positive effect of "conscientiousness" on self-employment is only consistently observed in crafts occupations. The analysis also shows a correlation with company size. This is because the effect of conscientiousness is particularly pronounced among one-person crafts enterprises. Hence, as expected, the self-employed in the crafts with higher conscientiousness scores demonstrate a lower growth orientation.

At the same time, there is a positive correlation between conscientiousness and job satisfaction, which is particularly strong among self-employed craftspeople. This lends further support to the "crafts entrepreneur" typology, which suggests that these individuals

prioritise self-fulfilment through their professional and technical activities over company growth.

Implications

Depending on the sector or occupational group, personality affects entrepreneurship in different ways. Start-up advice and career guidance could therefore be tailored to specific personality traits. For example, conscientious individuals who strive for self-realisation could be encouraged to become self-employed in the crafts sector. However, the influence of personality should not be overestimated. While important, a number of factors ultimately determine self-employment decisions and success. In future, entrepreneurship research should distinguish more clearly between general and specific personality effects. Other differentiation criteria, such as gender, cultural background or region, could be employed.

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