DEVELOPMENT AND VALIDATION OF AN ENTREPRENEURIAL LOCUS OF CONTROL SCALE (SUMMARY)

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SUMMARY

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Principal Topic

Locus of control (LoC) is a central construct in entrepreneurship that continues to receive wide research attention (Rauch & Frese, 2007) because it may explain behavioral differences (Spector, 1982), like why some start new ventures. Despite the interest in LoC, reviews report inconsistent and conflicting results (e.g., Cooper & Gimeno-Gascon, 1992). This may be due to two issues. First, the use of different LoC scales or a priori selected items from Rotter’s (1966) or Paulhus’ (1983) scales may have caused mixed results. Second, LoC is “a broad construct intended to study behavior in a variety of situations” (Rotter, 1990: 491). In entrepreneurship, scales have been used to assess general LoC, despite calls for the use of context-specific LOC scales (Rotter, 1990; Shaver & Scott, 1991). Several context-specific scales have been developed (e.g., Hodgkinson, 1992; Spector, 1988). Nevertheless, no study has developed a context-specific LoC scale for entrepreneurship. Thus, the purpose of this study is to develop an entrepreneurial LoC scale.

Method

Eleven items from the PSED were identified as relevant for an entrepreneurial LOC scale, including the three items intended to assess LoC (Shaver, 2004). From the PSED dataset, 463 respondents in the process of creating new ventures and 301 individuals in the comparison group formed the samples for the study. Scale dimensionality, reliabilities, and validities were assessed using the PSED dataset.

Results and Implications

The results show that the three items intended to assess LoC do not provide the best possible LoC scale. Also, as these items were from two subscales in Paulhus’ (1983) Spheres of Control Scale (Shaver, 2004), consequently, the three items represent a multi-dimensional measure of LoC. Based on the results, an entrepreneurial LoC scale was identified with superior psychometric properties relative to the scale intended to assess LoC in the PSED.

A context-specific LoC scale for entrepreneurship provides an instrument more sensitive than generalized LoC scales to better predict behavior specific to entrepreneurship (Rotter, 1975). With these considerations and the centrality of LoC in entrepreneurship in mind, an entrepreneurship-specific LoC scale provides opportunity for enhancing entrepreneurship research as it may assist in overcoming the inconsistent and conflicting results presently plaguing the entrepreneurship literature.

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