

# **The Stupid Entrepreneur**

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## **ABSTRACT**

This paper examines the concept of stupidity as applied to the art and practice of entrepreneurship. One may assume that the concepts discussed in this work can be generalized and extrapolated to many organizational situations and not just entrepreneurship. We review the five types of functional stupidity and demonstrate how each may be found in entrepreneurial situations. In addition to discussing functional stupidity we also discuss the three behavioral categories of stupidity and demonstrate their applicability in explaining actions that can occur in entrepreneurial settings. We further develop our concept of entrepreneurial stupidity through the use of a 2 X 2 matrix. The developed matrix explains the relationship between the impact of a stupid act and the degree of entrepreneurial stupidity involved. We hope to provide a systematic means to answer questions such as “what were they thinking” and “how could this have happened”.

## **KEY WORDS**

Entrepreneur, entrepreneurship, stupid, stupidity, culture, organization, organizational culture,