Small Business Economics (2007) 28:239–255
DOI 10.1007/s11187-006-9018-x

Growth Aspirations and Cultural Support for Entrepreneurship: A Comparison of Post-Socialist Countries

Polona Tominc
Miroslav Rebernik

ABSTRACT. Based on GEM data this paper explores whether significantly different growth aspirations of early stage entrepreneurs in Slovenia, compared to those in Hungary and Croatia, are also accompanied by significantly different opportunity recognition, cultural support for entrepreneurship and self-efficacy. Our results suggest that a higher degree of alertness to unexploited perceived opportunities, and cultural support for entrepreneurial motivation may be the cause of higher growth aspirations of Slovenian early stage entrepreneurs, while self-efficacy with regard to entrepreneurial skills, knowledge and experience was not found to be crucial.

KEY WORDS: Early stage entrepreneurship, Growth aspirations.

JEL CLASSIFICATIONS: M13, D01, J24, L26.

1. Introduction

Entrepreneurship is regarded as a key to economic development and to the creation of wealth and employment. Besides the number of entrepreneurs, the ''quality'' of entrepreneurship (value added, contribution to employment, sustainable growth) also matters. Two main streams in existing literature can be found. The *first* is based on longitudinal research designs, which study actual growth (Gundry and Welsch, 2001; Liao and Welsch, 2003; Colombo and Grilli, 2005; Barringer et al., 2005), while *the second* focuses on the growth expectations of those entering into entrepreneurship (Davidsson, 1991; Delmar and Davidsson, 1999; Schott and Bager, 2004).

In 2003, Slovenia led among European GEM countries regarding growth aspirations of early stage entrepreneurs, but it also exhibited very low early stage entrepreneurship participation (Rebernik et al., 2005a). To identify determinants that might influence very high growth aspirations of early stage entrepreneurs in Slovenia, the model established by Shane, Locke and Collins (Shane et al., 2003) may prove useful. In their model the authors adopted Shane and Venkataraman's (2000) definition of entrepreneurship as the process by which opportunities to create future goods and services are *discovered, evaluated* and *exploited*. The transition of individuals from one stage of an entrepreneurial process to another is the result of the combination or integration of some or all of the components of entrepreneurial motivation and cognition, where environmental conditions and entrepreneurial opportunities also matter. Based on the current state of the entrepreneurship literature that reports research results on the impacts of factors described in the Shane, Locke and Collins's model (2003), country differences on the three determinants that (beside others) might determine growth aspirations of early stage entrepreneurs are analyzed. These include opportunity recognition, cultural support for entrepreneurial motivation and self-confidence in skills, knowledge and experience needed for entrepreneurship.

People often misunderstand or ignore the fact that the historical background of companies and

Final version accepted on 4 October 2006

Polona Tominc and Miroslav Rebernik
Faculty of Economics and Business,
Institute for Entrepreneurship and Small Business Management
University of Maribor
Maribor, Slovenia
E-mails: polona.tominc@uni-mb.si;
rebernik@uni_mb.si

societies in Eastern and Central Europe differs significantly from those in the West. Most of the leading entrepreneurship literature was born in the US (Schildt and Sillanpaa, 2004), and many of its empirical findings cannot easily be applied to other socio-cultural settings (Ulhoi, 2005), especially to post-communist countries, which had been divorced from capitalism for seven decades, and which still enjoy a very different social, cultural, and institutional environment (Rebernik, 1997).

In this article we try to identify the impact of some factors that might better explain the growth aspirations of early stage entrepreneurs by comparing three post-communist countries: Slovenia, Hungary and Croatia. These countries were selected for analysis because of their proximity to each other and their common non-capitalist history, which make them more comparable. As the analysis will show, the three countries are at first sight very similar regarding some social, economic and historic features, yet they differ significantly with regard to the growth aspirations of early stage entrepreneurs. The GEM data source is the only one that makes comparisons of early stage entrepreneurship, as well as the determinants that might influence entrepreneurship in different countries, possible. Limitations of the data applied are described later in the paper.

Our results suggest that a higher degree of alertness to unexploited perceived opportunities among adults in Slovenia may be the cause of higher growth aspirations of early stage entrepreneurs in Slovenia. Also, most of the components of the cultural support for entrepreneurial motivation are incorporated in adults' opinions in Slovenia to a greater degree than they are in Hungary or Croatia. That may be the influencing factor for the higher growth aspiration of entrepreneurs in Slovenia, while self-efficacy regarding entrepreneurial skills, knowledge and experience of Slovenian adults does not seem to be crucial.

2. Theoretical background

Following the theory of growth established by Penrose (1959; discussion about this in Davidsson and Wiklund, 1999), researchers explored the motivational, behavioral and personal factors that led to venture creation and its growth. The new venture is viewed as a creation process, performed by an individual (or individuals), who has the ability to perceive and evaluate possibilities, and who is motivated to exploit them through his/her preferences as well as personal and business goals (Shaver and Scott, 1991). Several studies have shown that small- and medium-sized firms are of significant importance to the economy, and that this importance is growing. In particular, these firms are expected to help solve unemployment and economic recession, especially by creating new jobs (Storey, 1994; Reynolds et al., 2003; Arenius et al., 2004). Covin and Slevin (1997) explained that venture growth is the essence of entrepreneurship.

In a small firm, the importance of an owner or manager's willingness to grow is likely to be relatively greater than in a large firm. But not all entrepreneurs are willing to grow their business, since they may expect some consequences of growth to be negative, and in conflict with their goals (Kolvereid, 1992, Storey, 1994). Our paper focuses primarily on entrepreneurs who are in the start-up phase of the entrepreneurial process, and whose actual growth cannot be established yet.

The entrepreneurial process includes at least three main stages: the "discovery" of opportunities, their evaluation and their exploitation (Shane and Venkataraman, 2000). Variation among people in their motivations and abilities to act has an important effect on all phases of the entrepreneurial process. As Shane et al. (2003) explain, the attributes of people making decisions about the entrepreneurial process influence the decisions they make. All human actions are the result of motivational and cognitive factors on the one hand, and also the result of external factors, on the other hand. While entrepreneurial motivation includes a set of personality traits, such as a need for achievement, locus of control, desire for independence, goal-setting etc., cognitive factors include ability, intelligence and skills. External factors in this model refer to economic environmental conditions, such as the status of the economy, the availability of venture capital, government regulations etc. In explaining variations regarding the entrepreneurship process across

countries, much attention is also devoted to cultural variables (Hofstede et al., 2004; Gianetti and Simonov, 2005).

As Shane et al. (2003) suggest, the transition of individuals from one stage of entrepreneurial process to another is the result of the combination or integration of motivation and cognition. Furthermore, environmental conditions and entrepreneurial opportunities matter, while the motivations and ability of particular people might lead to different types of entrepreneurial actions under the same environmental conditions. Factors that might determine the growth aspirations of early stage entrepreneurs in different countries include (amongst others): (i) *opportunity recognition, (ii) cultural support for entrepreneurial motivation, and (iii) self-confidence in skills, knowledge and experience, needed for entrepreneurship*.

All three factors describe subjective perceptions and beliefs of the individual but do not necessarily reflect objective circumstances. Factors such as these are often referred to as perceptual (Arenius and Minniti, 2005). One of the defining characteristics of an entrepreneur is the "specialization in judgmental decision-making" (Casson, 2005), which is not culture neutral. An individual's personal perceptions and judgments about the existence of opportunities, about the acceptance of entrepreneurial behavior in society and about her/his skills are often formed on the basis of shared norms and values in the relevant society; they are often biased, but nevertheless influence the individual's entrepreneurial plans and actions.

2.1. *Opportunity recognition*

With increased attention being focused on the early stages of the entrepreneurship process in recent years, the concept of opportunities has been increasingly used in entrepreneurship research, and perceiving good business opportunities was assumed to be important for entrepreneurship (Kirzner, 1973, 1979; Shane and Venkataraman, 2000; Eckhardt and Shane, 2003; Reynolds et al., 2003). Davidsson (2003) suggested that the opportunity concept is debatable. For example, opportunity by almost all definitions is considered a favorable situation, known to be profitable. From this point of view, individuals cannot know whether or not what they pursue is an opportunity – only successful actions can, ex *post facto*, be marked as opportunities. Since our paper focuses particularly on start-up entrepreneurs, evaluating opportunities retrospectively is not possible. Therefore, our study adopts the concept of *perceived opportunities*.

Individuals participate in entrepreneurial activities for two main reasons: they start a new business to exploit a perceived business opportunity, or they are pushed into entrepreneurship because all other options for work are either absent or unsatisfactory. It emerged that 97% of individuals involved in business start-ups are either "opportunity" or "necessity" entrepreneurs (Acs et al., 2005). In 2004, a great variability across countries was observed in the balance of opportunity and necessity entrepreneurship. On a global scale, an average of about 65% of those involved in entrepreneurial endeavors claimed that they were attempting to take advantage of a business opportunity, while 35% stated that they were doing so because they had no other viable employment option. In 2004, the percentage of opportunity entrepreneurs in adult population in Slovenia is 2.17, in Croatia 2.04, and in Hungary 2.75, and do not differ significantly (Slovenia–Croatia: $p = 0.983$; Slovenia–Hungary: $p = 0.242$; Croatia–Hungary: $p = 0.199$).

There is a lack of economic literature investigating national differences in perceiving business opportunities, their perception and exploitation – in more detail than just monitoring the number of individuals who own and run their own firm based on business opportunities versus necessity. The present study aims to provide a clearer insight into the differences in the perception of opportunities in Slovenia, Croatia and Hungary.

As Davidsson (1991) pointed out, the growth motivations are entirely the result of the reality perceived. He proved that *differences in the perception of opportunities (among other factors) explained a substantial share of the variation in growth aspirations among entrepreneurs*.

The model of occupational choice (Wennekers and Thurik, 1999; Wennekers et al., 2002) underlines the fact that whether an individual will

pursue an opportunity and become an entrepreneur depends on his opportunity costs. The exploitation of the opportunity should generate more benefits than the opportunity costs are, both in the form of forgiven wages, time and effort expanded and as a reward for alertness, risk-bearing and uncertainty (Casson, 1982; Kirzner, 1997; Venkataraman, 1997; Shane 2003).

Another way of looking at opportunity is to exploit Leibenstein's visualization of the economy as a net made up of nodes and pathways. The nodes represent industries or households that receive inputs (or consumer goods) along the pathway, and send outputs (final goods and inputs for other commodities) to other nodes. In the perfect competition model the net is complete; pathways and nodes are well marked and well defined. However, in reality, there are holes and tears in the net, obstructions (knots) along the pathways, and some nodes and pathways are, where they exist, poorly marked or entirely unmarked from the viewpoint of the element of the other nodes (Leibenstein, 1968). An important task the entrepreneur must fulfill is to employ inputs which are inherently ambiguous and undefined, to fill in the gaps and to contribute to the functioning of the market. The entrepreneur connects different markets, is capable of making up for market deficiencies (gap-filling), is an 'input-completer,' and creates and expands time-binding, input-transforming entities (i.e. firms).

Leibenstein's way of visualizing the economy reveals an important point, which is relevant to less-developed economies, such as Slovenia, Croatia and Hungary. The less market institutions are developed and the less developed and stable the "rules of the game" are, the more *holes and tears in the net* there will be. On the one hand, this means that there are many unexploited opportunities waiting for entrepreneurs to seize them. On the other hand, entrepreneurship in such an environment is much riskier and of uncertain outcome, and therefore less attractive for potential entrepreneurs to combine the tasks of input-completing and gap-filling.

2.2. *Cultural support for entrepreneurial motivation*

Regarding cultural support for entrepreneurial motivation, a higher degree of motivation for entrepreneurship can be expected in those environments where entrepreneurship is socially legitimate and viewed as acceptable behavior (Liao and Welsch, 2003). Some of the earliest and best-known comparative researches on entrepreneurship at the aggregated societal level deal with environmental factors, both economic and cultural. Weber suggests that there may be a causal relationship between economic growth and the value system of Protestantism, better known as the Protestant Work Ethic, which emphasizes personal responsibility for one's actions (Weber, 1904). Schumpeter assumed that strong feelings of competitiveness are probably the principal motivation of "heroic" entrepreneurs, consistently striving to prove themselves better than other people (Schumpeter, 1934). The relationship between competitiveness of a culture and economic growth is validated by more recent research by Lynn (1992). Dissatisfaction with society and with life in general also appears to be a strong determinant of entrepreneurship (Hofstede et al., 2004), since individuals are often attracted to entrepreneurship by the expectation that it will provide bigger material and/or nonmaterial benefits, like social status and respect. A further elaboration of these issues leads also to the discussion that a higher level of motivation for entrepreneurship can be found in societies, where the opportunity costs of entering into an entrepreneurial career are low (Verheul et al., 2002).

Liao and Welsch (2003) studied the relationship between the three dimensions of social capital (cognitive, relational and structural) and growth aspirations of early stage entrepreneurs. The cognitive dimension of social capital consists of shared norms in society, which are also an important aspect of culture and the attitude towards entrepreneurship. As Coleman (1990) pointed out, a norm in a society exists when the socially defined right to control an action is held not by the actor but by others. Liao and Welsch (2003) argued that the behaviors of early stage entrepreneurs are shaped by the normative, and mimic forces that exist in their environment – the cognitive dimension of social capital would not only increase accessibility to resources for early stage entrepreneurs but also their ability to conduct an enterprise. *They proved that the*

greater the cognitive dimension of social capital, the higher the growth aspirations of early stage entrepreneurs.

2.3. *Self-confidence in skills and knowledge for entrepreneurship*

An individual enters into the process with limited knowledge and skills for starting a new venture. An individual's ability to become an entrepreneur can be regarded as one of the major determinants of entrepreneurship (Davidsson, 1991).

Although the entrepreneur will accumulate information and experience during the process (Delmar and Davidsson, 1999), the initial self-confidence in his/her own skills and knowledge of entrepreneurship matters. Shane (2000) demonstrated the impact of entrepreneurs' competence and knowledge in acting on business opportunities. An entrepreneur is an individual who has the ability to evaluate possibilities, and who is motivated to enter and persist in the entrepreneurial process (Shaver and Scott, 1991). The entrepreneur should have the capacity, the entrepreneurial skills/knowledge and motivation, to turn opportunities into something that creates enduring value.

Baum and Locke (2004) proved that *the new resource skills (as they defined the ability to acquire and systemize the operating resources needed to start and grow a new venture) of entrepreneurs inspire more challenging visions of the new venture's growth and higher growth goals, which are among variables that are direct predictors of venture growth.* In addition, psychology literature on intentionality and self-efficacy (Bandura, 1997; Baron, 2000) states that *an individual with high self-efficacy for a given task (being an entrepreneur) will also set and accept higher goals.*

3. Research question and hypothesis

Evidence in the literature stated above, that growth aspirations, among other determinants, are also the result of opportunity recognition, cultural support and self-efficacy leads us to the research question whether significantly different growth aspirations of Slovenian early stage entrepreneurs are also accompanied by significantly different: (i) *opportunity recognition,* (ii) *cultural support for entrepreneurial motivation, and* (iii) *self-confidence in skills, knowledge and experience, needed for entrepreneurship.*

Hypothesis *H1, H2 and H3* are suggested:

H1: The perceptions of good business opportunities by adults in Slovenia differ significantly from adults in Croatia and Hungary.

H2: Cultural support for entrepreneurial motivation of adults in Slovenia differs significantly from that in Croatia and Hungary.

H3: Self-confidence in skills, knowledge and experience, needed for entrepreneurship of adults in Slovenia differs significantly from that of adults in Croatia and Hungary.

4. Methodology

4.1. *Data*

For testing hypotheses, the main data sources for our study were GEM surveys of the adult population in Slovenia, Croatia and Hungary in 2004. A detailed data collection design within GEM is reported by Reynolds et al. (2005). In analyzing growth aspirations, individuals identified as early stage entrepreneurs in Slovenia and Croatia in 2002, 2003 and 2004 research cycles, and in Hungary in 2002 and 2004 research cycles (in 2003, an adult population survey was not conducted), were included in a consolidated sample. This procedure makes estimates more reliable, since in a single year the number of people involved in early stage entrepreneurship is limited in all three countries – due to limited sample sizes and especially due to low early stage entrepreneurial activity rates. The consolidated sample consists of 190 early stage entrepreneurs from Slovenia, 158 from Croatia and 255 from Hungary.

4.2. *Variables and methods*

Early stage entrepreneurs are identified as those individuals, who are, *first*, personally involved in the creation of a new venture or who are, *secondly*, employed as owners/managers of a new firm less than 42 months old.

Explanations of variables are listed in the same order as they appear in the second chapter, described above.

The growth aspirations of early stage entrepreneurs can be divided into those which are anticipated by the entrepreneur and those which are objectively possible, with regard to the characteristics of their products/services, competition, etc. The growth aspirations of early stage entrepreneurs were assessed by taking into account their anticipation of an increase in the number of new jobs, while the potential of their ventures to grow was estimated by their opinions about the creation of new markets and market expansion with their products/services, and regarding the technology used:

(a) *Degree of growth aspiration – employment*, is found in those early stage entrepreneurs who intend to increase the number of jobs by a certain degree in the next 5 years. Four values are assigned: no change in the number of jobs, an increase from 1 to 5, an increase from 6 to 19 and an increase by 20 or more.
(b) *Degree of growth aspiration – market creation*, is found in those early stage entrepreneurs who plan some market expansion/creation for their products/services by stating that there are only a *few or no other businesses offering* the same products/services to potential customers and that *all or some potential customers consider the product/service unfamiliar*.
(c) *Degree of growth aspiration – technology* is found in those early stage entrepreneurs who stated that technologies or procedures required by this product/service were not available more than a year ago.
(d) *Degree of growth aspiration – market creation/technology* is found in those early stage entrepreneurs who plan some market expansion/creation for their products/services by stating that there are only a *few or no other businesses offering* the same products/services to potential customers, and that *all or some potential customers consider the product/service unfamiliar* and who stated that *technologies or procedures required* by this product/service *were not available more than a year ago*.

The age of the venture was also taken into account. Following the GEM, we take into consideration three groups of entrepreneurs. The first are *nascent entrepreneurs*, who have taken some action towards creating a new business and have not paid wages for more than 3 months; the second are *new entrepreneurs* who are employed as owners/managers of new businesses which have not paid wages or salaries for more than 42 months; while *established entrepreneurs* are those who are employed as owners/managers of businesses that have paid wages or salaries for more than 42 months. Due to some methodological doubts also considered later in the text, established entrepreneurs are not analyzed in this paper. Those identified as nascent and new entrepreneurs were counted only once – as new entrepreneurs.

Namely, some research (for example Schott and Bager, 2004) shows that entrepreneurial aspirations seem to be higher in nascent entrepreneurs than among entrepreneurs in new firms and established entrepreneurs. Various explanations can be found within the existing literature on the reasons why entrepreneurial aspirations in nascent/new entrepreneurs are, as a rule, higher than the aspirations of established entrepreneurs (Carter et al., 1997; Brown and Kirschoff, 1997). To mention just two: the survival of ventures and learning. A large number of new ventures do not survive, and it is likely that those that do not survive have the highest and most unrealistic expectations. It is also very likely that nascent/new entrepreneurs acquire specific knowledge and skills about the business and entrepreneurial frameworks, which subsequently lower their expectations.

- *The perception of (perceived) business opportunities* is measured by the share of adults who are 18–64 years old and answered YES to the question: *In the next 6 months will there be good opportunities for starting a business in the area where you live?*
- *Cultural support for entrepreneurial motivation*, is measured[1] by the share of adults aged 18–64, who answered YES to the questions: *Do most people in your country prefer that everyone has a similar standard of living?*

Do most people in your country consider starting a new business a desirable career choice?
Do those successful at starting a new business have a high level of status and respect in your country?
Do you often see stories in the public media about successful new businesses in your country?

- *Self-confidence in skills, knowledge and experience needed for entrepreneurship*, is measured by the share of adults who are 18–64 years old and answered YES to the question: *Do you have the knowledge, skills and experience required to start a new business?*

The Chi-square test is used to test differences of proportions of adults among the three countries on the variables described above. The general criteria for rejecting the hypothesis that differences do not exist are determined by statistical significance at 5% (two-tailed test).

5. Country similarities in some social, economic and historic features

The three neighbor countries have a lot of common features: they share a common history with the Austrian–Hungarian Monarchy, they also share the experience of almost half a century of socialism and a similar communist history; in the case of Slovenia and Croatia, the countries also spent seven decades as part of the same state, having similar government institutions, as well as the same legal and economic system, etc... Some characteristics of the analyzed countries are presented in Table I, which shows, among other things, that total early stage entrepreneurial activity indices (TEA indices) in all three countries are on the low side of the global scale. According to the Growth Competitiveness Report, none of the countries can be considered as either technologically developed or globally competitive.

Each country has its own prevailing ethnicity – Slovenians, Croats and Hungarians. Countries are highly ethnically homogenous (at 90% of prevailing ethnicity), and with one dominant language: 92% (Slovenia), 96% (Croatia) and 98% (Hungary). In each of the countries analyzed, ethnic minorities of the other two countries can be found. The three populations are predominantly Roman Catholic.

6. Country differences in early stage entrepreneurial growth aspirations

Table II shows the results of the analysis of *growth aspirations – employment*: a mean percentage of early stage entrepreneurs regarding their plans on the future number of jobs for each of the three countries, as well as results on the significance of differences among countries. The majority of significant differences are found between Slovenia on one side, and Croatia and Hungary on the other. Differences between Croatia and Hungary are not significant. If we look at the mean percentages in more detail, we see that Slovenian early stage entrepreneurs expect greater job creation. In Slovenia, there are less early stage entrepreneurs who expect an increase in the number of jobs from 1 to 5, but at the same time there is a greater share of those who expect an increase from 6 to 19 than in Croatia and Hungary. The lowest share of early stage entrepreneurs who expect an increase in the number of new jobs of 20 or more is found in Croatia.

Analyzing nascent and new entrepreneurs separately (results are presented in Tables III and IV), we can conclude that *new* entrepreneurs in Slovenia, Croatia and Hungary do not significantly differ regarding the expected increase in the number of jobs (except those who expect no change in the number of jobs). Most of the differences between countries are the consequence of differences among *nascent* entrepreneurs[2]. It seems that Slovenian nascent entrepreneurs are extremely optimistic regarding the expected increase in the number of jobs compared to those in Croatia and Hungary.

Table V shows the results of the analysis of *growth aspirations* regarding *market creation, regarding technology and regarding market creation/technology* in each of the three countries, as well as results in the significance of differences among countries. The majority of significant differences in *growth aspirations* regarding *market creation and market creation/*

TABLE I
Comparing Slovenia, Croatia and Hungary

Indicators	Slovenia	Croatia	Hungary
Total Early Stage Entrepreneurial Activity [a]			
TEA overall	2.60	3.73	4.29
TEA necessity	0.43	1.57	1.24
TEA opportunity	2.17	2.04	2.75
TEA necessity/TEA opportunity	0.20	0.77	0.45
TEA male	3.59	5.76	5.13
TEA female	1.59	1.74	3.48
Main Economic Indicators [b]			
Real GDP Growth	2.3	3.7	3.4
GDP per capita (US$ at PPP)	21,175	11,256	14,800
Consumer price inflation	3.6	2.1	6.8
Unemployment rate	10.4	18.7	6.1
Total Population	1,990,000	4,442,000	10,100,000
Total Labor Force 2003 [a]	960,000	2,100,000	4,150,000
Population 18–64 in 2004 [a]	1,344,000	2,841,000	6,550,000
Global Competitiveness Report Rankings [c]			
Growth Competitiveness Index	33	61	39
Technology Index	26	46	29
Public Institution Index	31	76	37
Macroeconomic Environment Index	39	59	55
Business Competitiveness Index	31	72	42

[a] GEM 2004 data.
[b] The Economist Intelligence Unit: Country profiles 2005, actual or estimation for 2004.
[c] Global Competitiveness Report 2004.

TABLE II
Early stage entrepreneurs, regarding entrepreneurial growth aspirations – employment – (nascent and new entrepreneurs)

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
No change in the number of jobs	10.53	3.80	18.82	5.167 (0.023)	4.718 (0.030)	18.080 (0.000)
Increase in the number of new jobs from 1 to 5	28.42	43.67	40.00	5.913 (0.015)	8.124 (0.004)	0.401 (0.527)
Increase in the number of new jobs from 6 to 19	19.47	11.39	8.63	10.214 (0.001)	3.648 (0.056)	0.566 (0.452)
Increase in the number of new jobs for 20 or more	21.58	8.86	15.69	2.159 (0.142)	9.552 (0.002)	3.421 (0.064)

technology are found again between Slovenia on one side, and Croatia and Hungary on the other. Regarding *growth aspirations – technology*, percentages across countries do not differ significantly.

Analyzing nascent and new entrepreneurs separately (results are in Tables VI and VII), we can conclude that, again, the majority of differences between the countries presented in Table V are the consequence of differences among *nascent*

TABLE III
Early stage entrepreneurs, regarding entrepreneurial growth aspirations – employment (nascent entrepreneurs)

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
No change in the number of jobs	8.27	3.57	11.51	0.477 (0.490)	1.590 (0.207)	4.304 (0.038)
Increase in the number of new jobs from 1 to 5	27.07	40.18	41,73	5.826 (0.016)	4.149 (0.042)	0.014 (0.905)
Increase in the number of new jobs from 6 to 19	20.30	12.50	10.07	4.785 (0.029)	2.125 (0.145)	0.165 (0.685)
Increase in the number of new jobs for 20 or more	21.05	8.04	12.95	2.625 (0.105)	7.052 (0.008)	1.090 (0.296)

TABLE IV
Early stage entrepreneurs, regarding entrepreneurial growth aspirations – employment (new entrepreneurs)

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
No change in the number of jobs	15.79	4.35	27.59	2.325 (0.127)	Fisher's exact test (0.106)	9.371 (0.002)
Increase in the number of new jobs from 1 to 5	31.58	52.17	37.93	0.423 (0.516)	3.659 (0.056)	2.190 (0.139)
Increase in the number of new jobs from 6 to 19	17.54	8.70	6.90	3.576 (0.059)	1.027 (0.311)	Fisher's exact test (0.742)
Increase in the number of new jobs for 20 or more	22.81	10.87	18.97	0.152 (0.697)	1.756 (0.185)	1.026 (0.311)

TABLE V
Early stage entrepreneurs, regarding entrepreneurial growth aspirations – market creation, – technology and – market creation/technology (nascent and new entrepreneurs)

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
Market creation	33.68	19.62	16.86	15.960 (0.000)	7.903 (0.005)	0.334 (0.563)
Technology	13.68	11.39	16.47	0.455 (0.500)	0.229 (0.632)	1.638 (0.201)
Market creation/technology	8.95	4.43	3.53	4.866 (0.027)	2.083 (0.149)	0.040 (0.842)

entrepreneurs and, again, Slovenian nascent entrepreneurs are extremely optimistic, especially regarding market creation compared with those in Croatia and Hungary. Regarding the use of technologies that were not available more than a year ago, nascent entrepreneurs in the three countries do not differ, but significant differences are found among new entrepreneurs. It seems that new entrepreneurs in Hungary are ahead of Croatians, and especially ahead of new entrepreneurs in Slovenia.

Let us combine the described results on national differences in Table VIII.

The sign * marks significant country differences. Differences are numerous and indicate, as we assumed, that the three countries are at first

TABLE VI
Early stage entrepreneurs, regarding entrepreneurial growth aspirations – market creation, – technology and – market creation/technology (nascent entrepreneurs)

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
Market creation	41.35	23.21	20.14	13.437 (0.000)	8.238 (0.004)	0.188 (0.664)
Technology	18.05	14.29	17.27	0.000 (0.993)	0.384 (0.536)	0.219 (0.640)
Market creation/technology	12.03	6.25	3.60	5.652 (0.017)	1.757 (0.185)	0.465 (0.495)

TABLE VII
Early stage entrepreneurs, regarding entrepreneurial growth aspirations – market creation, – technology and –market creation/technology (new entrepreneurs)

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
Market creation	15.79	10.87	12.93	0.077 (0.782)	0.189 (0.663)	0.009 (0.924)
Technology	3.51	4.35	15.52	4.280 (0.039)	Fisher's exact test (1.000)	2.835 (0.092)
Market creation/ technology	1.75	0.00	3.45	Fisher's exact test (1.000)	Fisher's exact test (1.000)	Fisher's exact test (0.578)

TABLE VIII
Significant country differences in the growth aspirations of early stage entrepreneurs

Growth aspirations	Nascent and new entrepreneurs			Nascent entrepreneurs			New entrepreneurs		
	Hungary–Slovenia	Croatia–Slovenia	Hungary–Croatia	Hungary–Slovenia	Croatia–Slovenia	Hungary–Croatia	Hungary–Slovenia	Croatia–Slovenia	Hungary–Croatia
No change in the number of jobs	*	*	*			*			*
Increase: 1–5 jobs	*	*		*	*				
Increase: 6–19 jobs	*			*					
Increase: 20 or more jobs		*			*				
Market creation	*	*		*	*				
Technology							*		
Market creation/ technology	*			*					

sight very similar regarding some social, economic and historic features, yet are significantly different regarding different aspects of early stage entrepreneurship. The majority of differences can be assigned to percentage rates among nascent entrepreneurs in the three countries,

where nascent Slovenian entrepreneurs have, in particular, extremely high growth aspirations.

7. Results and discussion

Kirzner (1979) emphasized that *the opportunity perception* is the most distinctive and fundamental characteristic of entrepreneurial behavior. Among adults between 18 and 64 years of age in Slovenia 37.14%, on average, believe that in the area where they live, good business opportunities are likely to appear within the next 6 months. This percentage amounts to 20.83% in Croatia and 17.71% in Hungary, as presented in Table IX.

There is no significant difference between Croatia and Hungary, while Slovenia differs significantly from the other two countries. Therefore, the hypothesis *H1*, that the perceptions of good business opportunities by adults in Slovenia are significantly different from the perception by adults in Croatia and Hungary, is supported. Consistent with findings reported in the literature (Davidsson, 1991; Shane et al., 2003), a higher degree of alertness to unexploited perceived opportunities in Slovenia may be the cause of higher growth aspirations of Slovenian early stage entrepreneurs. Of course, entrepreneurs are people and may make different decisions when confronted with similar opportunities, but an entrepreneur's vision is exactly that entrepreneur's expectation about how to exploit the perceived opportunity. A very strong belief among people in society that there are "many good business opportunities out there," may lead to rather euphorically formed expectations about results of their exploitation. On the other hand, if we take Kirzner's definition of opportunity as imprecisely defined market need, or un- or under-employed resources or capabilities (Kirzner, 1997), it may be that potential Slovenian entrepreneurs see more underutilized or unemployed resources, or are aware of more of Leibenstein's holes in the net. This may be so because Slovenia was more market-oriented than Hungary during the socialist era, and more internationalized than Croatia, if internationalization is measured in terms of exported goods. Because of those differences, individuals in Slovenia may be more sensitive to seeing opportunities, either in the form of market needs or underemployed resources.

The data we had at our disposal did not allow us to differentiate between the different stages of opportunity recognition, such as perception, discovery and creation of opportunity underlined by Ardichvili et al. (2003) or the preparation, incubation, insight, evaluation and elaboration discussed by Lumpkin et al. (2004). Therefore, we don't know whether the respondents had the same perceptions of reality when asked about opportunities. We also had no indication of their absorptive capacity and cognitive processes (Shane, 2003).

Cultural support for entrepreneurial motivation as a part of entrepreneurial capacity was analyzed through four questions, as described above. Table X reports the results. The mean percentage of adults who answered YES to each of the four questions was the highest in Slovenia, except in the case of those who believe that *most people in the country consider starting a new business a desirable career choice*, where Croatia's percentage is the highest. Statistical significances of country differences are also reported in Table X.

TABLE IX
Mean percentage of adults in Slovenia, Croatia and Hungary, who believe, that in the area in which they live, good business opportunities are likely to appear within the next 6 months

Good start-up opportunities in the next 6 months in the area where you live.					
Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
37.14	20.83	17.71	91.385 (0.000)	40.914 (0.000)	2.290 (0.130)

TABLE X
Mean percentage of adults that answered YES to the four questions – motivation for entrepreneurship in the society

	Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
Most people in your country prefer that everyone had a similar standard of living	83.34	66.86	51.16	220.783 (0.000)	54.466 (0.000)	40.694 (0.000)
Most people in your country consider starting a new business a desirable career choice	59.28	66.49	55.17	3.063 (0.080)	7.680 (0.006)	20.880 (0.000)
Those successful at starting a new business have a high level of status and respect in your country	76.41	50.39	56.98	78.652 (0.000)	105.925 (0.000)	6.783 (0.009)
You often see stories in the media about successful new businesses in your country	60.87	48.63	35.67	120.323 (0.000)	21.768 (0.000)	27.857 (0.000)

We have some doubts that the phrasing of these questions is correct, since the respondents were not asked about *their opinion*, but about the *opinion of the majority of the people* in their country. Of course, people share norms and values in a society, but entrepreneurs are often considered exceptional individuals. Not everybody has the talent, skills and motivation needed for successful engagement in entrepreneurship. The values of those who are identified as entrepreneurs can even be considered as opposite to those who are not. In Slovenia, for example, a very high percentage of those who agree *that most people would prefer that everyone had a similar standard of living*, in combination with a relatively lower percentage of those who agree *that starting a new business is a desirable career choice*, could point to the difficulties that entrepreneurs face in Slovenian society. This may be supported by research in which it was established that capitalism is rated very low among the shared values of Slovenian people (Slovenian public opinion 1999–2004, 2004). On the other hand, Croatians pay less attention to the equality of everyone, but consider entrepreneurship a good career choice to a greater extent. The high percentage of Slovenians who stated that stories are often seen in the public media about successful new businesses does not also mean that stories of those who failed are not even more frequently published. It is interesting to note that Hungary is rated the lowest regarding the percentage of adults who answered YES to three of the four questions described. On the other hand, the percentage of those in a country who stated that fear of failure would prevent them from starting a new business is the lowest in Hungary (24.3%), and the difference to both Croatia (41.6%) and Slovenia (34.8%) is significant ($p < 0.05$).

Therefore, we are rather skeptical if the form of the stated questions is appropriate for analyzing the cultural influence towards higher entrepreneurial motivation in the country, and if they ensure a relevant basis for making conclusions about higher or lower cultural support for entrepreneurial motivation between countries. Nevertheless, the hypothesis that cultural support for entrepreneurial motivation is different in Slovenia can be supported. Most of the components of cultural support for entrepreneurial motivation are incorporated in adults' opinions in Slovenia to a greater degree than they are in Hungary or Croatia. That may be the influencing factor for higher growth aspiration of entrepreneurs in Slovenia, as strong shared norms and value define acceptable behavior and sanctions against opportunistic behaviors, while contributing to entrepreneurial growth aspirations (Liao and Welsch, 2003).

The results of the analysis of the *self-confidence in skills and knowledge needed for entrepreneurship*

TABLE XI
Mean percentage of adults who believe that they have the knowledge, skills and experience required to start a new business

Has knowledge, skills and experience required to start a new business					
Slovenia mean (in%)	Croatia mean (in%)	Hungary mean (in%)	Chi-square (significance) Hungary–Slovenia	Chi-square (significance) Croatia–Slovenia	Chi-square (significance) Hungary–Croatia
43.18	41.71	21.98	111.481 (0.000)	0.267 (0.605)	89.779 (0.000)

are presented in Table XI. The mean percentage of adults in a country who believe that they have the skill, knowledge and experience required for entrepreneurship is the highest in Slovenia, followed by Croatia and Hungary. The Chi-square test reveals that there is no significant difference between Croatia and Slovenia, while Hungary differs significantly from the other two countries.

The hypothesis *H3* can be partly supported: there is no difference between Slovenia and Croatia, while Hungary differs statistically regarding beliefs among adults about knowledge, skills and experiences needed for entrepreneurship. It seems that adults in Hungary are either less confident of their own entrepreneurial skills, or find entrepreneurship to be a much more complex action than adults in Slovenia and Croatia, where the percentage is twice as high. Self-efficacy is the belief in the ability of oneself to muster and implement the necessary personal resources, skills and competences to attain a certain level of achievement in a given task (Bandura, 1997). It revealed the fact that self-efficacy regarding entrepreneurial skills, knowledge and experience of Slovenian adults is not significantly higher than that of adults in Croatia, on average, and it seems that the cause for higher growth aspirations of Slovenian early stage entrepreneurs cannot be searched for in this area. But still, it can be assumed that extremely low self-confidence of Hungarians in their entrepreneurial skills, knowledge and experience can explain at least part of the relatively low growth aspirations of early stage entrepreneurs in their country.

8. Conclusions and extensions

In this paper we searched for explanations of factors that impact growth aspirations of Slovenian early stage entrepreneurs by comparing Slovenia, Hungary and Croatia, especially on different shared norms providing social support for entrepreneurship and encouraging people's entrepreneurial capacities. Namely, growth aspirations of Slovenian early stage entrepreneurs are significantly higher than those of early stage entrepreneurs in Croatia and Hungary, even though Slovenia, Hungary and Croatia share many historic, economic and social similarities.

Our results suggest that the cause of higher growth aspirations of Slovenian early stage entrepreneurs may be a higher degree of alertness to unexploited perceived opportunities among adults in that country. Also, most of the components of cultural support for entrepreneurial motivation are incorporated in adults' opinions in Slovenia to a greater degree than they are in Hungary or Croatia. That may be the influencing factor for higher growth aspiration of entrepreneurs in Slovenia, while self-efficacy regarding entrepreneurial skills, knowledge and experience of Slovenian adults does not seem to be crucial.

Even though growth aspirations are very high, Slovenia has a very low level of early stage entrepreneurship. One of the explanations may be given by the prospect theory, which replaces the notion of ''utility'' with ''value'' (Kahneman and Tversky, 1979), and centers on the subjective perception of gains and losses. Gains or losses are defined relative to some reference point, very often a status quo. It is assumed that the function relating losses to subjective value is steeper than the function relating gains to subjective value, meaning that people tend to be risk-averse with respect to gains but risk-seeking with respect to losses, which may have interesting implications for the process of entrepreneurship (Baron, 2004). In egalitarian societies

such as Slovenia, where two thirds of the population believe people should have a similar standard of living, and entrepreneurship is not a valuable and viable option for wealth creation (Rebernik et al. 2005), people will tend to avoid an entrepreneurial career, even though engagement in entrepreneurship could bring them more value than their current employment. As the majority of new entrants is 95% recruited from the available stock of employment, a relatively low level of unemployment in Slovenia compared to Croatia and Hungary, would support the previous line of arguments. Many of the barriers enumerated by Sarasvathy (2004) can also be found in Slovenia: untitled assets, no market-augmenting government, no risk capital available, and a comparably lower level of unemployment than in Hungary and Croatia.

Cognitive errors, such as a strong tendency to weight negative information more heavily than positive information (Baron, 2004) may also contribute to a low level of entrepreneurial activity in Slovenia, where not many success stories can be found in the media compared to lamentation and criticism of entrepreneurial frameworks, especially government policy.

Several extensions of our research are possible. First, as described in the paper, adults in the three countries differ significantly regarding various aspects of entrepreneurship. Suggestions from our findings, as well as from the literature (for example Arenius and De Clercq, 2005, who conducted a research on opportunity recognition) are that researches should compare drivers of entrepreneurial growth aspirations across a wider range of countries, where cultural factors, in our opinion, are extremely interesting. To our knowledge, no previous research focused on culturally conditioned differences in growth aspirations of early stage entrepreneurs in different countries. Second, a logical extension of our research is to establish if, and to what extent, growth aspirations are turned into the real growth of ventures. There is some evidence that the growth goals of entrepreneurs are significantly related to subsequent venture growth (Baum et al., 2001). Should further research confirm that high growth aspirations of early stage entrepreneurs are important for their actual growth, findings from our paper are also important for possible policy implications.

The impact of opportunity recognition, self-efficacy and cultural norms on growth aspirations of early stage entrepreneurs is very complex, and to some extent also country-specific. Especially in transitional countries, variables which are difficult to quantify, such as nonentrepreneurial socioeconomic history, slow changing and modernization of traditional values, and fragile institutional settings with unclear and evasive rules of the games, should be taken into account. Because there is a possibility that entrepreneurship research models can be culturally biased and may not accurately reflect the reality in these countries, we should be careful when using them, and when selecting countries to compare to, especially when policy-making advice is one of the intended results of these models.

While conducting this research we faced some methodological doubts. Besides the previously mentioned difficulties in explaining cultural support for entrepreneurship motivation, there is a lack of comparable data for established entrepreneurs in the three countries analyzed. Due to the very small sample, the adult population survey does not provide a relevant sample data for established entrepreneurs. The sampling frame for established entrepreneurs should not be the adult population but the population of all enterprises within one country. In Slovenia, an attempt to resolve this problem is made by conducting the other survey – the Slovenian Entrepreneurship Observatory, in which some of the same issues as in GEM are investigated, but addressed towards entrepreneurs taken from established companies (Rebernik et al., 2005).

There is also the general problem of gathering data among the adult population by household telephones – namely, the increasing number of households that are starting to rely merely on their mobile phones. In Slovenia, in 2004, the number of mobile phone subscriptions equaled the total number of inhabitants, and almost 10% of households are now contactable only over mobile phone (Vehovar et al., 2004). The problem seems to be the most severe in Finland, where the share of mobile-only households has already approached almost 40% (Kuusela and

Simpanen, 2002). We can expect that entrepreneurs are, in general, more active and less frequently sit at home by the stationary phone. This could become a serious problem when attempting to determine the rate of active entrepreneurial adults with a survey based on households with stationary phones. Personal interviews could solve this part of the problem.

Opportunity perception, perceptions of cultural support for entrepreneurship and other so-called perceptual variables are related to individuals and are not easily or quickly changeable. Individuals form the society and its cultural and social norms, which are predetermined by the society's history. Our results would imply that at first sight historic similarities of economic and social systems seen are not also necessarily leading to similarities in the entrepreneurship process, particularly to similarities in growth expectations of early stage entrepreneurs, and it is also reasonable to expect that the effectiveness of government policies depends on the entrepreneurial history of a society.

Notes

[1] We did not form a multi-item (combined) variable, due to some doubts considered later in this paper.

[2] Results of significance of country differences among nascent and new entrepreneurs are, especially in comparisons including Croatia, less reliable, due to a very limited number of nascent and limited number of new entrepreneurs that exhibit the growth aspirations analyzed. If more than 20% of expected frequencies are less than 5, and/or at least one expected frequency is 1 or less, the result of significance (two-tailed) of Fisher's exact test are reported in Tables III and IV.

References

Acs, Z. J., P. Arenius, M. Hay and M. Minniti, 2005, *Global Entrepreneurship Monitor 2004 Executive Report*, Babson College and London Business School.

Ardichvilli, A., R. Cardozo and S. Ray, 2003, 'A Theory of Entrepreneurial Identification and Development,', *Journal of Business Venturing* **18**, 105–123.

Arenius, P. and D. De Clercq, 2005, 'A Network-based Approach on Opportunity Recognition,', *Small Business Economics,* **24**, 249–265.

Arenius, P. and M. Minniti, 2005, 'Perceptual Variables and Nascent Entrepreneurship,', *Small Business Economics* **24**, 233–247.

Arenius, P., A. Erkko and A. Kovalainen, 2004, *Finland GEM Executive Summary 2003*, Esopoo, Finland: Helsinki University of Technology.

Bandura, A., 1997, *'Self-Efficacy: The Exercise of Self-Control,'*, New York: Freeman.

Baron, R., 2004, 'The Cognitive Perspective: A Valuable Tool for Answering Entrepreneurship's Basic ''Why'' Questions', *Journal of Business Venturing* **19**, 221–239.

Baron, R., 2000, 'Psychological Perspectives on Entrepreneurship: Cognitive and Social Factors in Entrepreneurs' Success,', *Current Directions in Psychological Science* **9**, 15–19.

Barringer, B. R., F. F. Jones and D. O. Neubaum, 2005, 'A Quantitative Content Analysis of the Characteristics of Rapid-Growth Firms and Their Founders, *Journal of Business Venturing* **20**(5), 663–687.

Baum, J. R. and E. A. Locke, 2004, 'The Relationship of Entrepreneurial Traits, Skill, and Motivation to Subsequent Venture Growth,', *Journal of Applied Psychology* **89**(4), 587–598.

Baum, J. R., E. A. Locke and K. G. Smith, 2001, 'A Multi-Dimensional Model of Venture Growth,', *Academy of Management Journal* **44**(2), 292–303.

Brown, T. E. and B. A. Kirschoff, 1997, 'The Effects of Resource Availability and Entrepreneurial Orientation on Firm Growth', *Frontiers of Entrepreneurship Research*, 32–46.

Carter, N., W. B. Gartner and P. Reynolds, 1997, 'Exploring Start-up Event Sequences,', *Journal of Business Venturing* **11**, 151–166.

Casson, M., 1982, *The Entrepreneur: An Economic Theory*, Oxford: Martin Robertson.

Casson, M., 2005, 'Entrepreneurship and The Theory of the Firm,', *Journal of Economic Behaviour & Organization* **58**, 327–348.

Coleman, J. S., 1990, *Foundations of Social Theory*, Cambridge, MA: Harvard Business Press.

Colombo, M. G. and L. Grilli, 2005, 'Founders' Human Capital and the Growth of New Technology-based Firms: A Competence-based View', *Research policy* **34**(6), 795–816.

Covin, J. G. and D. P. Slevin, 1997, 'High Growth Transitions: Theoretical Perspectives and Suggested Directions,'. in D. L. Sexton, and E. W. Smilor (eds.), *Entrepreneurship 2000*, Chicago:Upstart, pp. 99–126.

Davidsson, P. and J. Wiklund, 1999, 'Theoretical and Methodological Issues in the Study of Firm Growth,' *JIBS – Jonkoping International Business School Working Paper Series 1999–6*, Sweden. http://www.ihh.hj.se/eng/research/publications/wp/jibs_workingpaper1999.htm.

Davidsson, P., 1991, 'Continued Entrepreneurship: Ability, Need and Opportunity as Determinants of Small Firm Growth,', *Journal of Business Venturing* **6**, 405–429.

Davidsson, P. 2003, 'The Domain of Entrepreneurship Research: Some Suggestions', in Jerome A. Katz and Dean Shepherd (eds.), *Cognitive Approaches to Entrepreneurship Research, Advances in Entrepreneurship, Firm*

Emergence and Growth, **6**, 315–372, Oxford: Elsevier/JAI Press.

Delmar, F. and P. Davidsson, 1999, 'Firm Size Expectations of Nascent Entrepreneurs', *JIBS – Jonkoping International Business School Working Paper Series 1999–7*, Sweden.

Eckhardt, J. and S. Shane, 2003, 'The Individual-opportunity Nexus', in Zoltan J. Acs and David B. Audretsch (eds.), *Handbook of Entrepreneurship Research*, Dordrecht, NL: Kluwer.

Giannetti, M. and A. Simonov, 2005, 'Social Interactions and Entrepreneurial Activity,' Paper Presented at the *Conference on Economics and Psychology*, France: Toulouse.

Gundry, L. K. and H. Welsch, 2001, 'The Ambitious Entrepreneur: High Growth Strategies of Women-owned Enterprises', *Journal of Business Venturing*, **16**, 453–470, New York: Elsevier Science Inc.

Hofstede, G., N. G. Noorderhaven, A. R. Thurik, L. M. Uhlaner, A. R. M. Wennekers and R. E. Wildeman, 2004, 'Culture's Role in Entrepreneurship: Self-Employment Out of Dissatisfaction', in T. E. Brown and J. Ulijn (eds.), *Innovation, Entrepreneurship and Culture*, Cheltenham, UK: Elgar.

Kahneman, D. and A. Tversky, 1979, 'Prospect Theory: An Analysis of Decision under Risk', Econometrica, **47**(2), 263–292.

Kirzner, I., 1997, 'Entrepreneurial discovery and the competitive market process: An Austrian Approach', *Journal of Economic Literature* **35**, 60–85.

Kirzner, I. M., 1973, *Competition and Entrepreneurship*, Chicago, IL: University of Chicago Press.

Kirzner, I. M., 1979, *Perception, Opportunity and Profit*, Chicago, IL: University of Chicago Press.

Kolvereid, L., 1992, 'Growth Aspirations among Norwegian Entrepreneurs',, *Journal of Business Venturing* **5**, 209–222.

Kuusela, V. and M. Simpanen, 2002, Effects of Mobile Phones on Phone Survey Practices and Results, paper presented at the *ICIS Conference*, Copenhagen.

Leibenstein, H., 1968, 'Entrepreneurship and Development',, *American Economic Review, Papers and Proceedings* **58**(May), 72–83.

Liao, J. and H. Welsch, 2003, 'Social Capital and Entrepreneurial Growth Aspiration: A Comparison of Technology- and Non-technology-based Nascent Entrepreneurs', *Journal of High Technology Management Research* **14**, 149–170.

Lumpkin, G., G. Hills and R. Shrader, 2004, 'Opportunity Recognition', in H. Welsch (ed.), Entrepreneurship: The Way Ahead, New York: Routledge, pp. 73–90.

Lynn, R., 1992, 'The Secret of the Miracle Economy; Different National Attitudes to Competitiveness and Money,', *Journal of Economic Psychology* **13**(2), 370–372.

Penrose, E. T., 1959, *Theory of the Growth of the Firm*, New York, NY: Wiley.

Rebernik, M., 1997, 'Beyond Markets, Hierarchies and Ownership Mania in Transitional Countries,', *Systems Research and Behavioral Science, Wiley* **14**, 193–194.

Rebernik, M., P. Tominc and K. Pušnik, 2005a, *GEM Slovenia 2004: Podjetništvo na prehodu*, IPMMP, Faculty of Economics and Business, Maribor.

Rebernik, M., P. Tominc, M. Duh, T. Krošlin and G. Radonjič, 2005, *Slovenski podjetniški observatorij 2004* (Slovenian Entrepreneurship Observatory 2004), IPMMP, Faculty of Economics and Business, Maribor.

Reynolds, P., B. Bygrave and E. Autio, 2003, *GEM 2003 Executive Report*, Babson College, London Business School, E. M. Kauffman Foundation.

Reynolds, P., N. Bosma, E. Autio, S. Hunt, N. De Bono, I. Servais, P. Lopez-Garcia and N. Chin, 2005, 'Global Entrepreneurship Monitor: Data Collection Design and Implementation 1998–2003', *Small Business Economics* **24**(3), 205–231.

Sarasvathy, S., 2004, 'The Questions We Ask and The Questions We Care About: Reformulating Some Problems in Entrepreneurship Research', *Journal of Business Venturing* **19**, 707–717.

Schildt, H. and A. Sillanpaa 2004, 'The Field of Entrepreneurship: A Bibliometric Assessment', *Working paper No. 2004/1*, Helsinki University of Technology, Espoo.

Schott, T. and T. Bager, 2004, 'Growth Expectations by Entrepreneurs in Nascent Firms, Baby Businesses and Mature Firms', in M. Hancock and T. Bager (eds.), *Global Entrepreneurship Monitor Denmark 2003*, Denmark: Borsens Forlag.

Schumpeter, J. A., 1934, *'The Theory of Economic Development*,, Cambridge, MA: Harvard University Press.

Shane, S. and S. Venkataraman, 2000, 'The Promise of Entrepreneurship as a Field of Research,', *Academy of Management Review* **25**(1), 217–226.

Shane, S., 2000, 'Prior Knowledge and the Discovery of Entrepreneurial Opportunities,', *Organization Science* **11**(4), 448–469.

Shane, S., 2003, *A General Theory of Entrepreneurship*, Cheltenham: Edward Elgar.

Shane, S., E. A. Locke and C. J Collins, 2003, 'Entrepreneurial Motivation,', *Human Resource Management Review* **13**(2), 257–279.

Shaver, K. G. and L. R. Scott, 1991, 'Person, Process, Choice: The Psychology of New Venture Creation,', *Entrepreneurship Theory and Practice* **16**(2), 23–45.

Slovenian Public Opinion 1999–2004 (Slovensko javno mnenje 1999–2004), 2004, Tos N., (ed.), Ljubljana, Slovenia: FDV.

Storey, D., 1994, *Understanding the Small Business Sector*, London, New York: Routledge.

Ulhoi, J., 2005, 'Social Dimension of Entrepreneurship', *Technovation* **25**, 939–946.

Vehovar, V., E. Belak, Z. Batagelj and S Cikic, 2004, 'Mobile Phones Surveys: The Slovenian Case Study', *Metodološki zvezki* **1**(1), 1–19.

Venkataraman, S. 1997, 'The Distinctive Domain of Entrepreneurship Research', in Katz, J. (ed.) *Advances in Entrepreneurship, Firm Emergence and Growth*, vol. 3, Greenwich: JAI Press, pp. 119–138.

Verheul, I., S. Wennekers, D. Audretsch and R. Turik, 2002, 'An Eclectic Theory of Entrepreneurship', in D. B. Audretsch, A. R. Thurik, I. Verheul and A. R. M. Wennekers (eds.), *Entrepreneurship, Determinants and Policy in a*

European–US Comparison, Boston/Dordrecht: Kluwer Academic Publishers.

Weber, M. 1904, *'The Protestant Ethic and the Spirit of Capitalism,* translated by T. Parsons, New York, Scribner, 1929.

Wennekers, S. and R. Thurik, 1999, 'Linking Entrepreneurship and Economic Growth,', *Small Business Economics, Springer* **13**(1), 27–55.

Wennekers, S., L. Uhlaner and R. Thurik, 2002, 'Entrepreneurship and Its Conditions: A Macro Perspective,', *International Journal of Entrepreneurship Education* **1**(1), 1–40.