Index

accounting information chart 91–2, 95
accounting information variables 84
adhocratic culture 171
   significance in young SMEs 175
adverse selection 106
advertising efforts 190
age composition of entrepreneurship 22
   economic growth 30
age criterion 3, 22
age diversity 20
ageing society 18
age variable 25
aggressive behavior, impact on survival 186, 193
aggressiveness of firm in market
   increase in production 190
   new client attracting (personal connections) 190
   non-price competition 190
   price decrease 190
agricultural decline, in Germany 65
agro-food sector 212–13
Asian emergent economies 2
assumptions
   business cycle 58
   innovation 58
   labour markets 58
   technology standards 59
audited firms
   banks versus savings banks, Spain 95
authorized capital
   average amounts from different sources 238
autonomous regions of Spain 131, 133–4
   differences in TEA index 135
Baby-Business (BB) 131
bank-centred economies 157
   France, Germany, Italy, Spain 144–5
bank economies 7
banking relationships 112
bank loans, application and approval 195, 199
bank overlending 105
bankruptcy costs 106
banks and savings banks, Spain
   importance ranking of items for entrepreneurs 96–8
   scale reliability for variables 93–9
Basel Committee on Banking Supervision 82
basic hazard function 189
big business and innovation 40
‘bounded rationality’ 59
brain drain from developing countries 31
breadth effect
   broad range of products 18
breakthrough innovations 47
business angels (private investors) 7, 77
   entrepreneurial environment support 127
business creation 121, 123
business initiatives 120
business opportunities 72, 123–4
butter and cheeses, Italy 214–16
capacity constraints 190
capital acquisition, difficulty of constraints 80, 99
   Spain 6
capital from private investors 77
career path and entrepreneurship 43–7
catering 200, 202
chief executive officers (CEOs) 231–5
cheeses, local traditional, Italy 214–16
clan culture 171
commercial and professional infrastructure, Spain 129, 132
The entrepreneurial society

common law, Anglo-Saxon tradition
protection of shareholders and
creditors 146
Company Alpha, Italy
butter and cheese 214–16
Company Beta, Italy
family olive oil company 216
Company Delta, Hungary
exchange of local intellectual
resources 217
knowledge exchanges 218
wine-making business, ancient
family tree 217
Company Gamma, Hungary
food from edible snails 216–17
company marketing and regional
marketing 221
company strategies 58
competencies of SME owners 211
competition
effect in developed economies 30
increased 20
lack of 44
competitive advantage of intellectual
capital (IC) 208
competitive aggressiveness 8
competitive behavior of firm 185–6
complementarity effect
completion of supply of goods and
services 18
complexities, reduction of, in models 61
computer engineering
French shortage of innovative
companies 42
computers, IT and internet services
deals 151–2
constrained production
age of entrepreneur, effect 199
control variables 202–3
construction industry 200, 202
consumer tastes, satisfaction of 193
consumption modes, change of 247
continuing training organizations 235
Haute-Normandie, France 230
control variables
age of entrepreneurs 198
bank loans, application and approval 198
branch of industry 198
explanation 198
gender diversity 198
human capital of entrepreneur 198
initial size of enterprise 198
investment amount 198
legal status 198
main motivation of entrepreneur 199
occupation before setting up 199
origin of firm 198
public aid for firms 198
unconstrained production 200–201
corporate venturing 40
cost accounting system 166, 169
cost generating 193
Cox model (proportional hazard
model) 189
creative destruction of capitalist
development 60–61
creativity and academic education 48
credibility of business idea 124
credit rationing 5, 6, 77, 81, 104–7
table 111
weak or strong 105–14
creditworthiness 110
assessment 105, 108
of firms in Spain 93
quality and quantity of 6, 80
culture 63
influence on firm performance,
young SMEs 176
culture, importance of, Germany 73
culture variety 19
customer strategies 195
data collection by interviews
food industry in North Hungary 211–12
Italian food industry 211–12
deal financing 151–3
Europe 156
hierarchical tree of countries 155
variables 152
debt capital 79
debt financing of technology-based
firms, Spain 79–100
depreciation effect (sunk cost) 44
developed and developing countries,
entrepreneurs 15–16
developed countries
benefit of experience 30
negative impact 29
younger entrepreneurs 3
developing countries
  benefit of dynamism and new ideas 30
  necessity entrepreneurs 28
  need for high educated individuals 31
  need for older individuals (45-64) 31
  older and highly educated entrepreneurs 3
  self-employment in 15
‘discouraged borrowers’ 107
disequilibrium credit theory 106
diversity of demand 17
effects of 20
  in entrepreneurship 17–18
  job-related types 19
  measurement 31
  in performance 19–20
diversity types
  gender, age and education 18
  higher-educated individuals 18
  older women 18
domestic market, Spain 135
durability of new firms 193
duration analysis 185
duration of new firm
  constrained production 197
  unconstrained production 196
earning a living through business 30
economic crisis result
  lower consumer demand 244
  lower employment 244
  economic development level 30
  economic globalization 167
  economic growth 17
  influence of entrepreneurship 23
  stimulation 57
economic perspective
  entrepreneurship 120
economic support to engineers and
  scientists, Spain 137
  economy of innovation 41
  education and entrepreneurship 3, 7, 22, 41–3
education and training
  entrepreneurial environment support 126–8
  Spain 132, 135
  education diversity 20
  education level, developing countries 31
  education, positive net effect on job
  creation 21
  education variable 25
  effects, positive, for entrepreneurs 3
electronic games
  French shortage of innovative
  companies 42
  elites in entrepreneurship
  insufficient involvement in Europe 37
  insufficient involvement in France 42
employee numbers 231
employment and economic growth 120
employment growth 1
entrepreneur, previous occupation of
  and new firms 186
entrepreneurial behavior 193
  activity increase 191
  advertising efforts 191
  descriptive statistics 190–92
  new client attracting (personal
  connections) 191
  price decrease 191
  subcontracting 191
entrepreneurial capital, lack of 37–8
entrepreneurial characteristics
  of business owners
  Italian and Hungarian examples 218
  mediating roles 208–23
entrepreneurial choice
  individual human capital 244
entrepreneurial comparisons
  France, UK, and USA 3
entrepreneurial diversity 17
  gender, age or education 19
entrepreneurial failure, negative
  perception in France 43
entrepreneurial human capital 9
entrepreneurial intensity differences
  macroeconomic causes 2
entrepreneurial orientation (EO)
  definitions of 8
entrepreneurial population, diversity aspects
entrepreneurs
high-educated
importance for developing countries
reliance on personal savings, loans or donations
entrepreneurship
academic studies
coverage of the term
positive influence on economic environment
self-employment
in Spain, factors favoring
in US economy
entrepreneurship variables, descriptive statistics
environmental factors for business
environment and entrepreneur
equity financing
ethnic entrepreneurship
ethnic groups
European economies
lack of business angels
less entrepreneurial than US
underdevelopment of seed financing
European need for entrepreneurs
experience levels of older entrepreneurs
important contributions
experience of entrepreneur
experience variables
factor analysis
factorial correspondence analysis
representation
failure level of SMEs
family shareholdings
Federal Statistics Office, Germany
entrepreneurial society map
female entrepreneurs
emphasis on quality before quantity
finance access for entrepreneurs
finance, importance of access
financial and legal systems, Europe
financial constraints
for firms
new firms in France in 1990s
financial crisis
over-development of financial sector
financial diagnosis
financial information
financial institutions in Spain
banks and savings banks
financial planning
financial relationships
dummy variables
firms in 1997
financial support
entrepreneurial environment support
Spain
financing systems, Europe
firm growth
competitive behavior of firm
firms
constrained production
duration and post-entry strategy
innovative
performance
in private sector
setting up
small
contribution to private sector
output
employment
new jobs creation
status
survival
unconstrained production
young and innovative
food industry
competitive environment
low-technology manufacturing
category
North Hungary
Northwest Italy
synthetic knowledge base
food industry, territorial link
food sector in North Hungary
46 per cent derived from SMEs
France
and graduates from 'Grandes Ecoles' 16, 37–8, 52
critical for economic growth 3
Haute-Normandie survey 230
labour market
inside/outside tradeoff 48
unfavourable to risk taking 48
reasons for lack of entrepreneurial spirit 53
types of new entrepreneurs 38–41
freelance activities 4
French civil law, Roman law
low degree of protection 146
French entrepreneurs, new 188
French National Institute of Statistical and Economic Studies 188
Friedman’s non-parametric tests 83–4
soft and hard information 93
funding access
non-profit organizations 228–30
GEM see Adult Population Survey
gender
composition of entrepreneurship 22
criterion 3, 22
differences 20, 55
identities 19
mainstreaming 18
relevance 54–73
variable 25
German civil law
concentration of ownership 149
German microcensus data, 1989–2005 54
German reunification
social and economic process 72
Germany, solo self-employment 4
Germany, West and East, differences 55
Gibrat’s law of proportionate effect 187
Give&Take 221–2
global approach 193
Global Entrepreneurship Monitor (GEM) 15, 19, 22, 120, 122, 126, 130–31
global warming challenges 247
government policies
entrepreneurial environment support 126–7
Spain 132–3
government programmes
entrepreneurial environment support 126–8
Spain 132
government tax revenue 244
‘Grandes Ecoles’, reputation of 44
green technologies, new
cooperation in dealing with negative externalities 247
energy saving technology 247
gross domestic product (GDP) growth 22, 29
growth competitiveness index (GCI) 22, 29
growth rate of firm, and survival 187
hierarchical culture 171, 175
hierarchical regression analysis 175
‘high intensive relationships’ 109–10
with banks with credit rationing 113
high risk 79
house services 200, 202
human capital as entrepreneurs 3, 39
importance of role in share transfers in bank-centred economies 199
human capital of entrepreneurs 244–5
Hungary, North, food sector 46 per cent derived from SMEs 213–14
IC see intellectual capital
income-cost-benefit analysis planning-control cycle 169
indebtedness ratios, variable 95–6
loans to high tech firms 89
individual interactions 130
industrial and electronic machinery deals 152
industrial bakeries in Hungary 213
industrial companies, high tech lending decisions questionnaire 82–3
industrial law change
Germany 66
industry and building, trade and services 188
information assessment, comprehensive 99
information, hard or soft in bank relationships 82
initial public offerings (IPOs) 142
innovation 4, 40, 121–2, 128–9
breakthrough 40
and self-employment 55–8
as term
wide understanding 56
technological 246
innovation economy 37
entrepreneurship and growth, link 57
in USA, Silicon valley
attraction for young French talent 48
research 56–7
innovative and non-innovative firms 192
innovative culture 167–8, 171–3
influence on young SMEs 166
innovative entrepreneurial activity
low involvement of French elites 40–41
innovative projects and sunk costs 46–7
innovative sectors by DiGITIP-INSEE, definition 118–19
institutions, role of 62
intellectual capital (IC) 9
ability to use knowledge resources 208
human, structural and relational capital 208
Hungary, mobilization, give and take 219
Italy, mobilization, give and take 219
intellectual property rights 79
interest rate changes 106
investment level, large
guarantee of durability, in
constrained production 195
Italian food industry 212
job-creating firms 1
job outsourcing 4
job safety in France 53
job stability 4
knowledge as factor of production 63
knowledge-based companies in US 1, 18
knowledge economies 209
USA 37
knowledge-intensive sectors
non-knowledge-intensive sectors 9
labor market regulations change 4
Germany 66
labor markets 3, 47
leadership from entrepreneurial firms in economic crisis 244
legal restrictions to early stage finance 2
legal status
authorized capital structure 237
legal systems 145–50
influence on private equity firms 146–7
leisure and business services
deals 152
lending decisions questionnaire
analysis 83
leverage buy-outs (LBOs) 142, 150
lifestyles, new 54
limited liability status of firms 195, 200, 202
liquidity ratios
banks versus savings banks, Spain 95
long-term care law, Germany 68
low and high income countries 15
management and engineering ‘Grandes Ecoles’ 43
Management Control Systems (MCS) 8, 168–70
decision-making process 166
influence on young SMEs 166, 177–9
measurement 173
management perspective
entrepreneurship 120
managerial leadership 168
managerial style for team work 175
market-based countries
United Kingdom 7, 144–5, 157
market culture
external orientation of business 171
significance in young SMEs 175
market economy, longstanding, of
West Germany 65
market niches 38, 187
market openness 129
market orientation 221
market satisfaction 124
Index

markets unproven 79
mergers 142
mergers and acquisitions (M&A) markets 157
microeconomic decisions for entrepreneurship 2
micro-firms 4
minority stakes, transfers of 142
‘moral hazards’ 59, 106
motivation of entrepreneur 123, 124
motivation of owners 79
motivations of SME owners 211

national economic growth
effect of entrepreneurial activity 29
entrepreneurial influence on 21
necessity entrepreneurs 15
network effect and privileged position 44
networks 63
new firm, duration according to entrepreneurial behavior 194
new firms, longevity of 186–8
non-profit entrepreneurship 226–40
non-profit organization 9
access to financial funds, problem 230, 235–9
commercial private funding for social missions 227–8
criteria for selection of trainees 231–5
‘disguised’ profit organizations 227–8
motivations of 230
social motivation 227–8
social sympathies 227–8

occupational choice 2, 43
occupational independence subgroups 69
older entrepreneurs
negative factors 21
olive oil, Italy 215
Olive Tree Museum, Italy 216, 219
openness of domestic market
entrepreneurial environment support 126
opinions 19
opportunity entrepreneurs 15
organizational culture measurement
company definition 172
company managerial style 172
key issues for the business success 172
shared values by personnel 172
organizational culture, SMEs, Spain
market, hierarchy, clan, adhocracy 170–71
organizational intellectual capital
regional intellectual capital 208–23
Organisation of Economic Co-operation and Development (OECD)
high income countries 5
ownership concentration 148
Italy 149
Spain 149
ownership rights, transfer of 142
ownership structure
France 148
role of private equity firms 149–50
partial likelihood expression 190
partnership firms 189
passion and SME growth 222
consequences of 218, 220
PDO see Protected Designation of Origin
per capita income 22
performance analysis 176
performance models
young SMEs 177–9
performance variables
human relations model, human resources development 174
model of internal processes, internal control 173–5
open system model, external flexibility 174
rational model, external control 174
personal contribution of partners
limits in non-profit organizations 229
personal initiative 130
personality of entrepreneur 84–6
personality traits of SME owners 211
PGI certifications 222–3
The entrepreneurial society

physical infrastructure, access to, Spain 137
population and sample selection 151
population surveyed, for-profit and non-profit
comparative structure chart 232
positive discrimination for women 29
no evidence for need 31
post-entry behavior 204
post-entry product market strategies 185–8
and firms' duration 193
pricing strategies 195
private equity activity 7
Germany, Italy, Spain, France, UK 142
private equity firms 152
Europe 141–59
France 154, 157
importance of role in share transfers in bank-centred economies 157 in civil-law countries 157
legal systems 145–50
ownership structure 149–50
private equity investment 145
private financing, Spain 137
private initiative, encouragement of 2
private investors 7
proactive behavior 8, 9
advertising expenses 193
entrepreneurs 204
price cutting 193
prospective potential customers 193
production, constrained and unconstrained 191
firm distribution chart 192
productivity gap, Europe and USA 2
product/service characteristics, variables 84–89
professional infrastructures 129
profit distribution
requirement for non-profit organizations 228
property rights, weakening in non-profit organizations 229
proportional hazard rate expression 189
Protected Designation of Origin (PDO) 222–3
food industry, Italy 213
Protected Geographical Indication (PGI)
food industry, Italy 213
psychological perspective
entrepreneurship 120
psycho-sociological approach 124
public aid for firms 195
pull effect
positive motivations 38
push effect 204
negative motivations 38
predominant in France 40
qualified employees
important factor for lending to high tech firms 89
qualitative (soft data)
creditworthiness, assessment 99
quantitative (hard data)
creditworthiness, assessment 99
R&D transfer
entrepreneurial environment support 126–9
Spain 132, 134–5
regional development of entrepreneurship 54–73
regional diversification and self-employment
Germany 68–71
regional intellectual capital
organizational intellectual capital 208–23
regional levels of self-employed, variation in 72
regional policies 62
regions and entrepreneurial activity index 131
regions, importance of, Germany 73
regulation, lack of 244
religions 19
research projects of wine company, Debrecen University, Egar Wine Research Institute 217
retirement age, higher 18
rewards, financial 2
reward structures 47
<table>
<thead>
<tr>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>rigidity of prices 106</td>
</tr>
<tr>
<td>risk aversion 41</td>
</tr>
<tr>
<td>risks, static or dynamic 59</td>
</tr>
<tr>
<td>salaried employee</td>
</tr>
<tr>
<td>discounted income 45</td>
</tr>
<tr>
<td>salaried positions versus risky innovative projects 44</td>
</tr>
<tr>
<td>Salone del Gusto (Taste Show), Turin 212</td>
</tr>
<tr>
<td>Schumpeter, Joseph A. on innovation processes 56–7</td>
</tr>
<tr>
<td>science and technology 134</td>
</tr>
<tr>
<td>Spain 137</td>
</tr>
<tr>
<td>science-technology-firm system, formation of</td>
</tr>
<tr>
<td>support for research and technological development 4</td>
</tr>
<tr>
<td>securities holdings 229</td>
</tr>
<tr>
<td>securities markets 143, 145</td>
</tr>
<tr>
<td>selected companies in Italy and Hungary</td>
</tr>
<tr>
<td>chart of features 215</td>
</tr>
<tr>
<td>self-employment 15, 21</td>
</tr>
<tr>
<td>choice 2, 4, 40</td>
</tr>
<tr>
<td>socio-demographic choices 18</td>
</tr>
<tr>
<td>entrepreneurship only part of 56</td>
</tr>
<tr>
<td>Germany</td>
</tr>
<tr>
<td>comparison of East and West 65 rate by regions, Germany 67</td>
</tr>
<tr>
<td>holistic picture 55</td>
</tr>
<tr>
<td>labour market category 56</td>
</tr>
<tr>
<td>ratios 54–73</td>
</tr>
<tr>
<td>trends, German case, decrease 63–71</td>
</tr>
<tr>
<td>self-employment, solo 54</td>
</tr>
<tr>
<td>West Germany 66–8</td>
</tr>
<tr>
<td>self-financing 143</td>
</tr>
<tr>
<td>self-reliance 4</td>
</tr>
<tr>
<td>self-sufficiency 130</td>
</tr>
<tr>
<td>service variable 84</td>
</tr>
<tr>
<td>share sales 150–51</td>
</tr>
<tr>
<td>share transfer in Europe 141–59</td>
</tr>
<tr>
<td>share transfers</td>
</tr>
<tr>
<td>France, Germany, Spain, Italy and UK 7</td>
</tr>
<tr>
<td>Silicon valley story 246</td>
</tr>
<tr>
<td>SINE database 107–8</td>
</tr>
<tr>
<td>testing durability of new firms 185, 188</td>
</tr>
<tr>
<td>SIRENE repertory (French survey) 188</td>
</tr>
<tr>
<td>industry and building, trade and services 108</td>
</tr>
<tr>
<td>slaughterhouses in Hungary</td>
</tr>
<tr>
<td>no compliance with European norms 213–14</td>
</tr>
<tr>
<td>small and medium-sized enterprises (SMEs) 1</td>
</tr>
<tr>
<td>exploiting IC (intellectual capital) 208</td>
</tr>
<tr>
<td>innovative culture in 165–81</td>
</tr>
<tr>
<td>management control systems (MNS) 165–81</td>
</tr>
<tr>
<td>objectives of 165</td>
</tr>
<tr>
<td>Spain, organizational culture 170</td>
</tr>
<tr>
<td>success or failure factor 89</td>
</tr>
<tr>
<td>young, type of culture 175</td>
</tr>
<tr>
<td>small projects in unconstrained production 195</td>
</tr>
<tr>
<td>snails, edible, Hungary 215–17</td>
</tr>
<tr>
<td>social and cultural standards 126, 129–30</td>
</tr>
<tr>
<td>social capital 63</td>
</tr>
<tr>
<td>social networks 246</td>
</tr>
<tr>
<td>‘extra-market externality’ 63</td>
</tr>
<tr>
<td>social status 2</td>
</tr>
<tr>
<td>socio-economic backgrounds 19</td>
</tr>
<tr>
<td>sole proprietorship firms 189</td>
</tr>
<tr>
<td>Spain, specific environment of entrepreneurs 7, 120–37</td>
</tr>
<tr>
<td>Spanish regions, research into 131</td>
</tr>
<tr>
<td>start-up debt-gaps 5</td>
</tr>
<tr>
<td>Start-Up (SU) businesses 131</td>
</tr>
<tr>
<td>Statistical Office, Germany 54</td>
</tr>
<tr>
<td>stigma effect of potential failure 43</td>
</tr>
<tr>
<td>strategy and organization of firm, variables 89–90</td>
</tr>
<tr>
<td>student entrepreneurship, France 42</td>
</tr>
<tr>
<td>subcontracted work delegation to other firms</td>
</tr>
<tr>
<td>positive effect 193</td>
</tr>
<tr>
<td>subcontracting works 190, 193</td>
</tr>
<tr>
<td>sub-population of firms 192</td>
</tr>
<tr>
<td>success probability 105</td>
</tr>
<tr>
<td>sunk cost and entrepreneurial choice 46, 193</td>
</tr>
<tr>
<td>support systems for entrepreneurs 5, 77–8</td>
</tr>
</tbody>
</table>
takeovers, survival rate 200
unconstrained production 195
talents, diversion of, to financial sector 244
tax exemption 229
TEA see Total early-stage Entrepreneurial Activity
technical ability of entrepreneur 123, 124
technological innovation 4
technological performance in industries
breadth effect 17–18
complementarity effect 17–18
selection effect 17–18
technology-based firms
dependence on external financing 99
financial obstacles 79–80
high R&D 99
product development lead-times 99
Spain 77
technology innovation 80–81
tertiarization process 57, 69
increase of service sector 63–4
Tokaj wines, Hungary 218
successful entrepreneur 217
Total early-stage Entrepreneurial Activity (TEA)
age composition of entrepreneurship 26
education composition of entrepreneurship 27
gender composition of entrepreneurship 28
index 22–4, 131, 135
trade 200, 202
trade credit, France 7
tradition, discouragement for entrepreneurship 2
trainee selection criteria chart 233
training activities, profitability 234
training activity of CEOs of non-profit organizations 232
training and education, Spain
penalization of entrepreneurial spirit 134, 136
training sector
representation of non-profit organizations 230
transaction costs 60
transport 200, 202
uncertainty 58
uncertainty-avoidance 7
unconstrained production
control variables 200–201
diploma and experience, good effect of 199
unemployed people’s firms
prone to exit 204
unemployment 39
unemployment benefit, tougher stance 40
University Technology Transfer Office (UTTO) 4
venture capital 77, 143
financing, Spain 137
firms 146
France 7, 141
vertical integration 60
wage employment 43
wage society 2
wealth creation 1
wealth, positive influence in entrepreneurial commitment 5
welfare state regulations 4
change, Germany 66
welfare system 18
Wilcoxon non-parametric range tests 84, 89
wine growing in Hungary 213, 215, 217
workforce diversity, stimulation of reasons for importance 19
working capital
banks versus savings banks, Spain 95
working demands, new 54
young firms, evolution of 8, 9