

Entrepreneurship in Romania 2009 country report



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In the name of GEM Romania team,
Lehel-Zoltán Györfy
GEM Romania 2009 project leader

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1. Executive summary

Main characteristics of entrepreneurial activity

Romania's early-stage entrepreneurial activity rate measures 5.02% with 2.79% of the adult population being nascent entrepreneurs. These values are lower than those recorded in most Central and Eastern European countries (e.g. Hungary, Croatia), but are higher than it was registered in 2008 (3.98%, respectively 2.54%). The rate of owner-managers of a new business has grown considerably from 1.56% in 2008 to 2.3% in 2009. This is mainly a consequence of the higher share of nascent entrepreneurs in early-stage entrepreneurs in the previous years.

The female early-stage entrepreneurial activity rate is 3.17%, while the male early-stage entrepreneurial activity rate is 6.91%. The ratio between female and male early-stage entrepreneurial rate increased from 0.36 in 2008 to 0.46 in 2009.

The opportunity-driven early-stage entrepreneurial activity rate is 2.76% and the necessity-driven is 1.71%. The ratio of opportunity to necessity early-stage entrepreneurship is similar to the value registered in the last year.

The income increase motivated early-stage entrepreneurship rate decreased from 23.6% in 2008 to 19.45% in 2009, while the independence-driven early-stage entrepreneurial activity rate remained close to the last year's level.

The growth aspirations of the Romanian early-stage entrepreneurs decreased considerably from last year's measured rate of 20.45% to 7.01%.

The established business ownership rate increased from 2.07% in 2008 to 3.16% in 2009.

Entrepreneurial activity and the economic crisis

The impact of the crisis on the entrepreneurial activity is one of the highest among the GEM countries according to early-stage entrepreneurs and established business owners. 90.17% of early-stage entrepreneurs and 93.82% of established business owners think that starting a business is more difficult than one year ago. Similarly, 92.7% and 95.06% of them think that growing a business now is more difficult compared to one year ago. On the other hand, 78.92% of early-stage entrepreneurs and 84.26% of established business owners think that the global crisis causes a drop in business opportunities in Romania. The Romanian entrepreneurs' extremely high skepticism regarding the effects of the crisis are

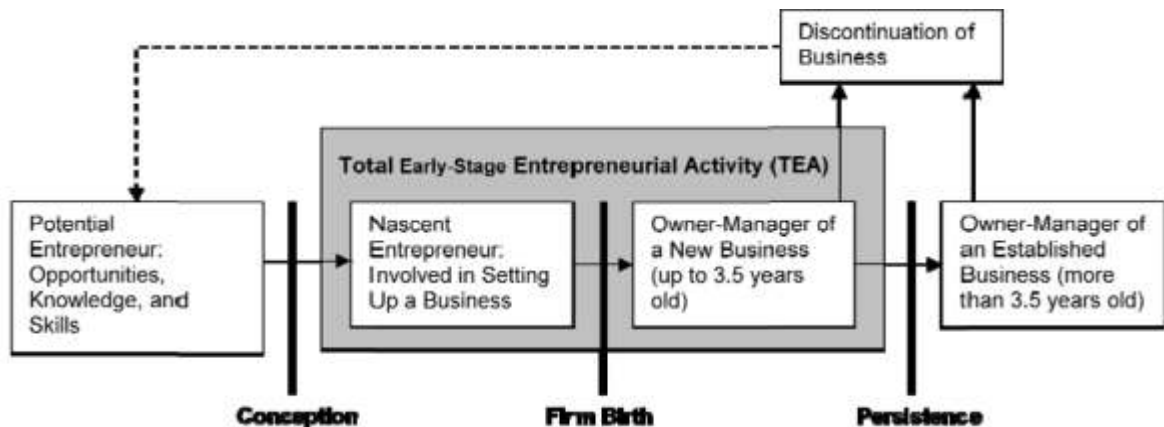
linked also to the fact that the anti-crisis measures of the government had to be (some of them would had to be) taken in a long election year (three elections from November 2008 to December 2009: Parliamentary, EU and presidential elections). It is widely accepted in Romania by the end of the year 2009 that the decision regarding the minimal tax payment for entrepreneurs decreased considerably the number of (small and medium) enterprises. We can highlight the decision for SME Guaranty Fund capitalization as one of the main government initiatives in 2009.

2. Theoretical aspects of GEM research

GEM is a large scale research program launched in 1997 by leading researchers in the field of entrepreneurship at London Business School and Babson College. The first research was published in 1999 and it included 10 countries. Since then the project has been extended to include 42 countries in 2007, 43 in 2008 and 54 countries in 2009. The main aim of GEM research is to study the complex relationship between entrepreneurship and economic growth, to measure the level of entrepreneurial activity between countries, to uncover factors determining the levels of entrepreneurial activity and to identify policies which may stimulate the level of entrepreneurial activity. GEM, as a research program that focuses on a major driver of economic growth, on entrepreneurship, admits the widely acknowledged phenomena that entrepreneurship is one of the most important forces shaping the changes in the economic landscape.

GEM studies the behaviour of individuals with respect to starting and managing a business. GEM observes the actions of entrepreneurs who are at different stages of the process of creating and sustaining a business.

Figure 1: The entrepreneurial process and GEM operational definitions



Source: Bosma & Levie, 2010, p. 14

GEM uses the following group of terms in assessing the entrepreneurial activity of the adult population.

Entrepreneurial Activity is seen as a process. GEM measures entrepreneurial intentions, nascent, new and established business activity and business discontinuation activity, defined as follows:

- *Potential Entrepreneurs* are those individuals aged between 18-64 years who intend to start a business within three years.

- *Informal Investors Rate* is the percentage of 18-64 population who have personally provided funds for a new business, started by someone else, in the past three years.

- *Nascent Entrepreneurs* are those individuals aged between 18-64 years who are actively planning a new venture. These entrepreneurs have done something during the previous 12 months to help start a new business, that he or she will at least partly own. Activities such as organizing the start-up team, looking for equipment, saving money for the start-up or writing a business plan would all be considered as active commitments to starting a business. This business has not paid salaries, wages or any other payments to the owners for more than three months.

- *Young Business Entrepreneurs* are those entrepreneurs who at least partly own and manage a new business that is between 4 and 42 months old and have not paid salaries for longer than this period. These new ventures are in the first 42 month after the new venture has been set up.

- *Early-Stage Entrepreneurs (TEA)* refers to the early-stage entrepreneurial activity among the adult population aged between 18-64 years, identified as nascent or young business entrepreneurs. In those cases when the respondent is involved both as nascent and young business entrepreneur then the respondent is counted only once as a nascent entrepreneur.

- *Established Business Owners (EB)* are those entrepreneurs who have set up businesses that they have continued to own and manage and which had paid wages and salaries for more than 42 months.

- *Necessity-Driven Entrepreneurial Activity Rate* is the percentage of those involved in early-stage entrepreneurial activities who are involved in entrepreneurship because they had no other option for work.

- *Improvement-Driven Entrepreneurial Activity Rate* is the percentage of those involved in early-stage entrepreneurial activity who claim to be driven by opportunity as opposed to finding no other option for work and who indicate the main driver for being involved in this opportunity is being independent or increasing their income, rather than just maintaining their income.

- *Business Discontinuation Rate* is the percentage of population aged between 18-64 years who have, in the past 12 months, discontinued a business, either by selling, shutting down, or otherwise discontinuing an owner/management relationship with the business¹ (Bosma & Levie, 2010, p. 13, p. 61).

Entrepreneurial Attitudes and Perceptions express the general feelings of the population towards entrepreneurs and entrepreneurship.

- *Perceived Opportunities* is the percentage of 18-64 who see good opportunities to start a business in the area where they live.

- *Perceived Capabilities* is the percentage of 18-64 population who believe to have the required skills and knowledge to start a business.

- *Fear of Failure Rate* is the percentage of 18-64 population with positive perceived opportunities who indicate that fear of failure would prevent them from setting up a business.

- *Entrepreneurial Intention* is the percentage of 18-64 population (individuals involved in any stage of entrepreneurial activity excluded) who intend to start a business within three years.

- *Entrepreneurship as Desirable Career Choice* - percentage of 18-64 population who agree with the statement that in their country most people consider starting a business as a desirable career choice.

- *High Status Successful Entrepreneurship* is the percentage of 18-64 population who agree with the statement that in their country, successful entrepreneurs receive high status.

- *Media attention for entrepreneurship* - percentage of 18-64 population who agree with the statement that in their country you will often see stories in the public media about successful new businesses (Bosma & Levie, 2010, p. 61).

Entrepreneurial Aspirations reflects the qualitative nature of entrepreneurial activity. They can significantly affect the economic impact of entrepreneurial activities.

- *High-Growth Expectation Early-Stage Entrepreneurial Activity* - percentage of 18-64 population who are either a nascent entrepreneur or owner-manager of a new business and expect to employ at least 20 employees five years from now.

- *New Product-Market Oriented Early-Stage Entrepreneurial Activity* - percentage of early-stage entrepreneurs who indicate that their product or service is new to at least some customers and indicate that not many businesses offer the

same product or service.

- *International Orientation Entrepreneurial Activity* - percentage of early-stage entrepreneurs with more than 25% of the customers coming from other countries.

The countries participating in 2009 in GEM research program are grouped into three stages of economic development: factor-driven economies, efficiency-driven economies and innovation-driven economies. According to the Global Competitiveness Report, in the first stage, the economy is factor-driven and countries compete based on their factor endowments: primarily unskilled labour and natural resources. Companies compete on the basis of price and sell basic products or commodities, with their low productivity reflected in low wages. Maintaining competitiveness at this stage of development hinges primarily on well-functioning public and private institutions, well-developed infrastructure, a stable macroeconomic framework, and a healthy and literate workforce. As wages rise with advancing development, countries move into the efficiency-driven stage of development, when they must begin to develop more efficient production processes and increase product quality. At this point, competitiveness is increasingly driven by higher education and training, efficient goods markets, well-functioning labour markets, sophisticated financial markets, a large domestic and/or foreign market, and the ability to harness the benefits of existing technologies. Finally, as countries move into the innovation-driven stage, they are able to sustain higher wages and the associated standard of living only if their businesses are able to compete with new and unique products. At this stage, companies must compete through innovation, producing new and different goods using the most sophisticated production processes (Schwab, 2009, pp. 7-8).

Table 1: GEM 2009 countries grouped by stages of economic development

| |
|---|
| Factor-Driven Economies |
| Algeria*, Guatemala*, Jamaica*, Lebanon*, Morocco**, Saudi Arabia*, Syria*, Kingdom of Tonga, Uganda, Venezuela*, West Bank and Gaza Strip, Yemen |
| Efficiency-Driven Economies |
| Argentina, Bosnia and Herzegovina, Brazil, Chile*, Colombia, Croatia*, Dominican Republic, Ecuador, Hungary*, Iran, Jordan, Latvia*, Malaysia, Panama, Peru, Romania* , Russia*, Serbia, South Africa, Tunisia, Uruguay* |
| Innovation-Driven Economies |
| Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Iceland, Israel, Italy, Japan, Republic of Korea, Netherlands, Norway, Slovenia, Spain, Switzerland, United Kingdom, United Arab Emirates, United States |

Notes:

* Country in transition to more advanced stage.

** No data available.

Source: Bosma & Levie, 2010, p. 5

In each country, a survey company conducts a telephone survey or face to face interview of the population aged between 18-64 years. In Romania in 2007 a representative sample of 1739 adults, in 2008 1667 adults, in 2009 1639 adults was interviewed using the standard GEM questionnaire. This survey was carried out to measure the entrepreneurial behaviour and the attitudes of adult population in Romania. The survey data are used to calculate the Total Early-Stage Entrepreneurial Activity Index (TEA), a comparable measure of entrepreneurial activity across countries.

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3. Overview on the Romanian entrepreneurship

3.1. Entrepreneurship in Romania in international view

GEM reports demonstrated a relationship between a country's economic development level and its early-stage entrepreneurial activity rate² (Bosma & Levie, 2010; Bosma et al., 2009; Bosma et al., 2008). The GEM 2009 results confirm that institutional characteristics, demography, entrepreneurial culture and the degree of economic welfare shape a country's entrepreneurial landscape (Bosma & Levie, 2010, p. 23).

Table 2: Romanian entrepreneurship ranked by entrepreneurial activity, attitudes and aspirations in case of efficiency-driven economies and in global view

| | Global rank | | | Efficiency-driven country rank | |
|--|-------------------------|-------------------------|-------------------------|--------------------------------|-------------------------|
| | 2007 42 countries | 2008 43 countries | 2009 54 countries | 2008 17 countries | 2009 22 countries |
| Entrepreneurial activity stages | | | | | |
| Potential entrepreneurs | 24 | 28 | 42 | 14 | 20 |
| Nascent entrepreneurs | 31 | 37 | 41 | 16 | 18 |
| Young business entrepreneurs | 38 | 41 | 41 | 17 | 19 |
| Early-stage entrepreneurs | 37 | 40 | 42 | 16 | 18 |
| Necessity-driven early-stage entrepreneurs | 32 | 27 | 34 | 15 | 20 |
| Opportunity-driven early-stage entrepreneurs | 38 | 43 | 48 | 17 | 19 |
| Established business owners | 37 | 42 | 46 | 16 | 20 |
| Discontinuation rate | 18 | 25 | 20 | 12 | 12 |
| Entrepreneurial attitudes and perceptions | | | | | |
| Perceived opportunities | 35 | 35 | 51 | 15 | 21 |
| Perceived capabilities | 39 | 41 | 50 | 16 | 21 |
| Fear of failure rate | 35 | 12 | 5 | 4 | 1 |
| Social network/capital | 18 | 26 | 40 | 12 | 18 |
| Entrepreneurship as desirable career choice | 27 | n.a. | 42 | n.a. | 20 |
| High status successful entrepreneurship | 34 | 29 | 40 | 11 | 16 |
| Media attention for entrepreneurship | 32 | 30 | 44 | 13 | 19 |

Table 2: Romanian entrepreneurship ranked by Entrepreneurial activity, attitudes and aspirations in case of efficiency-driven economies and in global view (cont.)

| Entrepreneurial aspirations | | | | | |
|--|----|----|----|----|----|
| High-growth expectation early-stage entrepreneurial activity | 23 | 30 | 47 | 14 | 20 |
| New product-market oriented early-stage entrepreneurial activity | 30 | 26 | 39 | 10 | 13 |
| International orientation entrepreneurial activity | 16 | 1 | 9 | 1 | 3 |

Source: Own calculations based on GEM, Adult Population Survey, 2007-2009

In global view we can see that Romania's TEA rate is one of the lowest (42nd between 54 countries), this fact remains true if we analyse only the efficiency-driven economies (18th between 22 countries), even if we can observe a slight improvement of the relative position regarding 2008. The rank by opportunity-driven early-stage entrepreneurial activity rate is also one of the worst, also the 48th between 54 countries, nevertheless we can say that the relative position of Romania has improved as well in 2009. Romania's position is not better in case of young business entrepreneurial rate (41st between 54 countries in global view and the 19th among the 22 efficiency-driven economies). In case of entrepreneurial attitudes and perceptions we can say that regarding the perceived opportunities Romania's rank is one of the worst in global view (51st between 54 countries), while in case of the efficiency-driven economies is the penultimate. Only 13.8% of the adult population sees good opportunities to start a new business in the next six months in the area where they live. Romania's place regarding fear of failure is the 5th in global view and 1st among efficiency-driven economies. In Romania 50.4% of the adult population consider that fear of failure would prevent them from a starting a new business. Among the entrepreneurial aspirations regarding the high-growth expectation early-stage entrepreneurial activity rate and new product-market oriented early-stage entrepreneurial activity the relative position of Romania worsened. The share of early-stage entrepreneurs with more than 25% of the costumers coming from other countries is the 9th highest in global view and 3rd among the efficiency-driven economies.

3.2. The evolution of entrepreneurial stages in Romania

Overall, in 2009 Romania's early-stage entrepreneurial activity rate measures 5.02%, which is higher than the rate measured in 2008 (3.98%). Among efficiency-driven economies this rate is one of the lowest, as it can be seen in Appendix 2.

The proportion of those who expect to start a business in the next 3 years in 2009 is significantly³ lower than in 2007. In 2009 the share of those who are involved in any kind of entrepreneurial activity is significantly lower than in 2008, while in 2007 this proportion was significantly higher than the one measured in 2008 and 2009.

Table 3 presents the most important entrepreneurial activity rates measured between 2007 and 2009 in Romania. These figures are one of the lowest among the efficiency-driven economies. The rate of potential entrepreneurs decreased in the analysed time period, especially in the case of male potential entrepreneurs. The rate of early-stage entrepreneurial activity increased in 2009, mainly because the rate of female young business entrepreneurs increased from 2008 to 2009. The necessity-driven early-stage entrepreneurs' rate increased due to the rise of male necessity-driven early-stage entrepreneurial activity rate. This was the main cause of the positive evolution of the early-stage entrepreneurial rate from 3.98% (in 2008) to 5.02% (in 2009). The percentage of female established entrepreneurs increased from 1.22% to 3.36% of the adult population aged between 18-64 years from 2008 to 2009.

Table 3: Entrepreneurial activity rates in Romania between 2007 and 2009 (%)

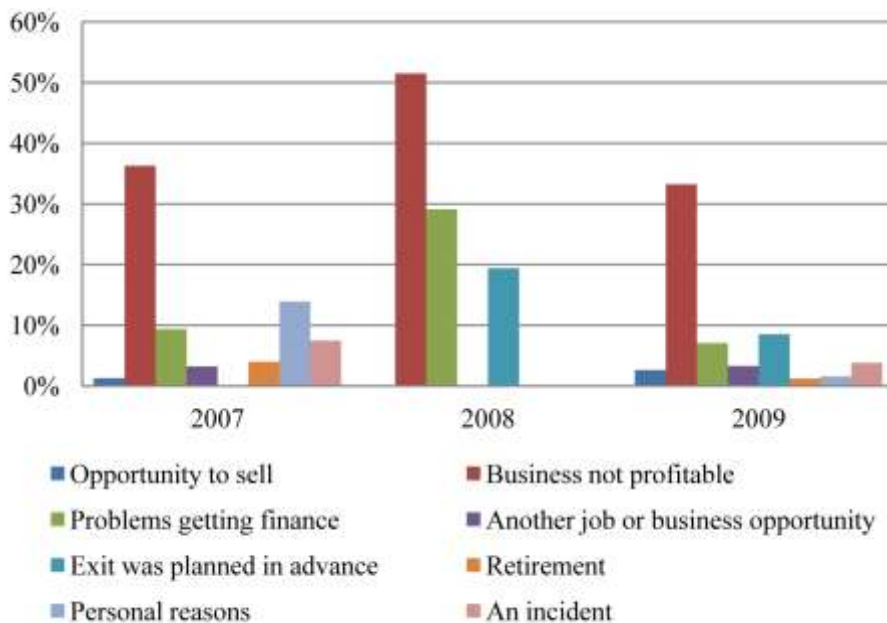
| Entrepreneurial activity rates | | 2007 | 2008 | 2009 |
|---------------------------------|----------------|--------------|--------------|-------------|
| Potential entrepreneurs | Average | 13.60 | 11.50 | 9.40 |
| | Male | 18.55 | 15.55 | 11.40 |
| | Female | 8.83 | 7.86 | 7.44 |
| Nascent entrepreneurs | Average | 2.90 | 2.54 | 2.79 |
| | Male | 3.51 | 3.62 | 4.54 |
| | Female | 2.29 | 1.47 | 1.07 |
| Young business entrepreneurs | Average | 1.30 | 1.56 | 2.30 |
| | Male | 1.44 | 2.42 | 2.50 |
| | Female | 1.19 | 0.71 | 2.09 |
| Early-stage entrepreneurs (TEA) | Average | 4.02 | 3.98 | 5.02 |
| | Male | 4.95 | 5.89 | 6.91 |
| | Female | 3.09 | 2.10 | 3.17 |

**Table 3: Entrepreneurial activity rates in Romania
between 2007 and 2009 (%) (cont.)**

| | | | | |
|--|----------------|-------------|-------------|-------------|
| Necessity-driven early-stage entrepreneurs | Average | 0.56 | 1.37 | 1.71 |
| | Male | 0.73 | 1.82 | 2.60 |
| | Female | 0.39 | 0.92 | 0.83 |
| Opportunity-driven early-stage entrepreneurs | Average | 2.68 | 2.12 | 2.76 |
| | Male | 3.52 | 3.36 | 3.60 |
| | Female | 1.85 | 0.89 | 1.93 |
| Established business owners (EB) | Average | 2.50 | 2.07 | 3.38 |
| | Male | 3.34 | 2.94 | 3.40 |
| | Female | 1.70 | 1.22 | 3.36 |
| Discontinuation rate | Average | 2.08 | 2.22 | 2.87 |
| | Male | 2.97 | 3.07 | 2.62 |
| | Female | 1.19 | 1.38 | 3.06 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

The business discontinuation rate increased as the result of female business discontinuation rate's growth. In each year the main exit reason was the fact that the business was not profitable. This was mentioned as the main exit reason in all of the other efficiency-driven countries. The relative prevalence of the exit reasons between 2007 and 2009 can be seen in Figure 2.

Figure 2: Exit reasons in Romania, 2007-2009

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

Table 4 shows the distribution of early-stage and established entrepreneurs by main industries. We can observe that while the highest rates in case of early-stage entrepreneurs are reached in the transforming and the consumer-oriented sector in 2007, in 2008 this is reached only in the transforming sector, and in 2009 in consumer-oriented services. In case of established entrepreneurs these rates are the highest in the sector of consumer oriented services for every analysed year, reaching a share of 2/3 in 2009.

Table 4: Early-stage entrepreneurs and established business owners distribution by sectors in Romania (%)

| Industry | | 2007 | 2008 | 2009 |
|----------------------------|-----|-------|-------|-------|
| Extractive sector | TEA | 3.75 | 8.13 | 7.83 |
| | EB | 2.14 | 8.32 | 3.92 |
| Transforming sector | TEA | 35.23 | 40.92 | 22.93 |
| | EB | 30.72 | 37.67 | 22.03 |
| Business oriented services | TEA | 25.10 | 19.78 | 22.13 |
| | EB | 19.10 | 9.94 | 7.27 |
| Consumer-oriented services | TEA | 35.92 | 31.17 | 47.10 |
| | EB | 48.04 | 44.06 | 66.78 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

Analysing the entrepreneurial activity in Romania by regions in 2009 (see Table 5), we can conclude that the proportion of potential entrepreneurs in the adult population aged between 18-64 years is the highest in the Centre and North-West region. The lowest rate can be found in the North-East region, which is significantly lower than in the Centre region. The share of nascent entrepreneurs is the lowest in the West region and the highest in the North-West and Centre regions. North-West and Centre regions have also the highest early-stage and established entrepreneurial activity rates.

Table 5: Entrepreneurial stages by country region in Romania, 2009 (%)

| | Country region | | | | | | | |
|---|----------------|--------------|-------|--------------|------|--------------|--------|-----------|
| | North - East | South - East | South | South - West | West | North - West | Centre | Bucharest |
| Expects to start-up in the next three years | 5.0 | 10.3 | 7.7 | 8.3 | 8.4 | 11.6 | 14.9 | 10.3 |
| Actively involved in start-up effort, owner, no wages yet | 2.9 | 1.6 | 2.2 | 3.1 | 0.7 | 5.2 | 4.3 | 2.1 |
| Manages and owns a business that is up to 42 months old | 0.9 | 4.1 | 1.7 | 1.0 | 1.9 | 3.2 | 3.5 | 2.2 |
| Involved in total early-stage entrepreneurial activity | 3.3 | 5.7 | 4.0 | 4.1 | 2.6 | 8.4 | 7.8 | 4.3 |
| Manages and owns a business that is older than 42 months | 2.4 | 2.9 | 1.9 | 0.3 | 4.2 | 7.4 | 4.8 | 3.5 |
| Discontinued a business in the past 12 months, business was not continued | 3.1 | 5.1 | 2.4 | 0.1 | 4.3 | 2.9 | 3.6 | 0.9 |

Source: GEM, Adult Population Survey, Romania, 2009

4. Socio-demographic characteristics of Romanian entrepreneurs

Looking at Table 6 we can say that the potential entrepreneur in Romania is aged between 25-34 years, situated in the upper 33% regarding household income, with post secondary educational level in 2007 and with secondary degree in 2008 and 2009.

Table 6: Population by age categories, household income categories and education level involved in potential entrepreneurial activity in Romania, 2007-2009 (%)

| Variable | Categories | 2007 | 2008 | 2009 |
|-------------------------------|----------------------|------|------|------|
| Age | 18-24 | 24.2 | 22.0 | 26.4 |
| | 25-34 | 30.5 | 36.1 | 31.1 |
| | 35-44 | 21.2 | 21.4 | 22.0 |
| | 45-54 | 18.3 | 15.5 | 17.5 |
| | 55-64 | 5.8 | 5.0 | 3.1 |
| Household income | Lowest 33% | 6.3 | 15.9 | 17.4 |
| | Middle 33% | 36.6 | 24.2 | 18.0 |
| | Upper 33% | 57.1 | 59.8 | 64.6 |
| Educational attainment | Some secondary | 2.7 | 26.8 | 3.3 |
| | Secondary degree | 4.2 | 34.3 | 50.8 |
| | Post secondary | 52.1 | 14.2 | 38.1 |
| | Graduate expectation | 41.1 | 24.7 | 7.8 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

There were no significant changes in respect of age categories during the analysed time period. We can observe that the share of potential entrepreneurs situated in the lowest 33% of household incomes in 2007 was significantly lower than in 2008 and 2009, while the share of those who are situated in the middle 33% of household incomes in 2009 is significantly lower than the share measured in 2007. There are significant changes in the distribution of potential entrepreneurs by educational attainment over the analysed time period. While in 2007 the share of potential entrepreneurs was the highest in the post secondary educational level, in 2008 and 2009 the share of secondary degree education level is significantly higher than it was in 2007⁴.

The typical early-stage entrepreneur in 2007 and in 2008 was aged between 25-34 years, situated in the upper 33% household income tile with higher education degree. In 2009 the age category widened to 18-44 years and the education level to

post secondary and higher educational degree.

Table 7: Population by age categories, household income categories and education level involved in TEA in Romania, 2007-2009 (%)

| Variable | Categories | 2007 | 2008 | 2009 |
|------------------------------------|-----------------------|------|------|------|
| Age | 18-24 | 1.09 | 2.16 | 6.60 |
| | 25-34 | 7.54 | 7.10 | 6.74 |
| | 35-44 | 4.07 | 4.42 | 6.15 |
| | 45-54 | 3.69 | 3.33 | 4.39 |
| | 55-64 | 1.60 | 1.15 | 0.34 |
| Household income categories | Lowest 33% | 0.88 | 0.80 | 0.64 |
| | Middle 33% | 1.18 | 1.23 | 0.98 |
| | Upper 33% | 3.88 | 4.14 | 3.34 |
| Education level | Some secondary degree | 0.00 | 3.35 | 0.98 |
| | Secondary degree | 1.06 | 3.04 | 4.26 |
| | Post-secondary degree | 3.10 | 2.05 | 9.23 |
| | Graduate experience | 8.15 | 6.98 | 8.80 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

The established entrepreneurs, as it can be concluded from Table 8, can be most frequently found among people aged between 35-44 years in 2007 and in 2008, and between 45-54 years in 2009. During the analysed time period the established entrepreneur's household income is most frequently situated in the upper 33%.

Table 8: Population by age categories, household income categories and education level involved in EB in Romania, 2007-2009 (%)

| Variable | Categories | 2007 | 2008 | 2009 |
|------------------------------------|-----------------------|------|------|------|
| Age | 18-24 | 0.00 | 1.12 | 1.32 |
| | 25-34 | 1.74 | 1.17 | 3.45 |
| | 35-44 | 5.54 | 3.34 | 3.59 |
| | 45-54 | 1.87 | 2.12 | 4.85 |
| | 55-64 | 2.85 | 2.57 | 3.19 |
| Household income categories | Lowest 33% | 0.28 | 0.48 | 0.67 |
| | Middle 33% | 0.63 | 1.19 | 0.35 |
| | Upper 33% | 2.25 | 1.27 | 2.00 |
| Education level | Some secondary degree | 1.18 | 1.54 | 1.39 |
| | Secondary degree | 0.00 | 2.12 | 2.72 |
| | Post-secondary degree | 2.07 | 3.16 | 6.07 |
| | Graduate experience | 4.57 | 1.74 | 4.77 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

5. Entrepreneurial motivations

Many individuals are pulled into entrepreneurial activity because of opportunity recognition, while others are pushed into entrepreneurship because they have no other means of making a living or because they fear becoming unemployed in the near future. For those who are pulled to entrepreneurship, two major drivers of opportunity entrepreneurship can be identified: those who are pulled primarily because they desire independence, and those who are primarily pulled to entrepreneurship because they want to increase their income as compared to, for instance, being an employee. The remaining share includes people who maintain that they have no other way of earning a living (necessity-motivated entrepreneurs) and people who became involved in entrepreneurial activity primarily to maintain their income (Bosma et al., 2009, p. 24).

The entrepreneurial motivation analysis according to the results presented by Table 9 reveals that in comparison with 2007, when two thirds of the early-stage entrepreneurs were motivated by opportunity, in 2008 and 2009 only slightly more than a half of Romanian early-stage entrepreneurs can be identified as being motivated by opportunity.

Table 9: Motivations of early-stage entrepreneurs in Romania, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--------------------|------|------|------|
| Opportunity motive | 66.7 | 53.2 | 55.0 |
| Necessity motive | 13.8 | 34.3 | 34.1 |
| Other motive | 19.5 | 12.5 | 11.0 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

A significantly higher share of necessity motivated early-stage entrepreneurs can be identified in 2008 and 2009 compared to 2007, reaching the one third share of early-stage entrepreneurs⁵.

A more detailed analysis of the entrepreneurial motivations, as it is shown by Table 10, also emphasizes a significantly higher share of purely opportunity motivated baby business owner-managers in 2007 than in 2009 and a significantly higher percentage of necessity motivated in 2008 than in 2007. Despite a significantly lower share of necessity motivated established entrepreneurs in 2008 compared to 2007 and 2009, we can generally conclude on a change in the structure of Romanian established entrepreneurs by motivation between 2007 and 2008 towards an increasing share of necessity motivated entrepreneurship.

Table 10: The motivation of Romanian entrepreneurs by type of entrepreneurship and motivation, 2007-2009

| Comparisons of column proportions ^{a,b} | | | | |
|---|---------------------------|------|------|------|
| | | 2007 | 2008 | 2009 |
| | | (A) | (B) | (C) |
| TEA | Opportunity motive | | | |
| | Necessity motive | | A | A |
| | Other motive | | | |
| Motive for nascent entrepreneurs | Purely opportunity motive | | | |
| | Partly opportunity motive | | | |
| | Necessity motive | | | |
| Motive for baby business owners-managers | Purely opportunity motive | C | | |
| | Partly opportunity motive | | | |
| | Necessity motive | | A | |
| Motive for people involved in TEA | Purely opportunity motive | | | |
| | Partly opportunity motive | | | |
| | Necessity motive | | A | A |
| Motive for established business owners-managers | Purely opportunity motive | | | |
| | Partly opportunity motive | | | |
| | Necessity motive | B | | B |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>b. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007 - 2009

In addition to those described above, the calculations presented by Table 11 demonstrate that the share of those opportunity motivated early-stage entrepreneurs who are motivated by increasing their income remained the highest (constantly more than a half) in the analysed period, while the share of those who were motivated by independence was lower in 2008 and 2009 in comparison with 2007.

Table 11: Opportunity motivated early-stage entrepreneurs by motives in Romania, 2007-2009 (%)

| Opportunity type | 2007 | 2008 | 2009 |
|------------------|-------|-------|-------|
| Independence | 48.17 | 34.78 | 42.59 |
| Increase income | 51.73 | 53.31 | 52.46 |
| Maintain income | 0.10 | 11.91 | 4.95 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

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6. Entrepreneurial aspirations

6.1. International orientation

The international orientation of early-stage entrepreneurs has been studied with export intensity analysis, by the estimation of foreign clients' share. In 2009 72.8% of the early-stage entrepreneurs had less than 25% foreign clients of total clients, lower than the level measured in 2007 (81.7%), but higher than in 2008 (50.9%). In the analysed period the highest international orientation among the early-stage entrepreneurs can be identified in 2008 when 18.7% of them had more than 75% foreign clients (2.9% in 2007 and 10.6% in 2009).

Table 12: International orientation of early-stage entrepreneurs in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|------------------|----------|------|------|------|
| Export intensity | 75%-100% | 2.9 | 18.7 | 10.6 |
| | 25%-75% | 15.4 | 30.5 | 16.7 |
| | 1%-25% | 64.8 | 32.8 | 55.2 |
| | None | 16.9 | 18.1 | 17.6 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The share of those early-stage entrepreneurs whose business had more than 75% foreign clients was significantly higher in 2008 than in 2007 and the share of those who had between 1-25% foreign clients was significantly lower in 2007 and 2009 than in 2008. This reveals a higher orientation towards foreign markets in 2008 in comparison with 2007 and 2009.

Table 13: International orientation of early-stage entrepreneurs in Romania, 2007-2009

| Comparisons of column proportions ^{a,b} | | | | |
|---|----------|------|------|------|
| | | 2007 | 2008 | 2009 |
| | | (A) | (B) | (C) |
| TEA: export intensity | 75%-100% | | A | |
| | 25%-75% | | | |
| | 1%-25% | B | | B |
| | None | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>b. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

The comparison between early-stage entrepreneurs' and established business owner-managers' structure by share of foreign clients indicate both more intense international orientation of the early-stage entrepreneurship and more accentuated specialisation tendency of established business owner-managers in domestic or foreign markets.

The proportion of those established business owner-managers who had no clients outside the country increased from 18% in 2007 to 33.65% in 2009 according to Table 14, while in the case of the early-stage entrepreneurs this share increased only slightly from 16.91% to 17.55%.

The share of those established business owner-managers which had 1-25% foreign clients has dropped the most, from 61.08% in 2007 to 42.9% in 2009, while the share of those with 26-75% foreign clients has stabilised in 2008 and 2009 at 16% level, only slightly less than the 20.92% registered in 2007.

In case of early-stage entrepreneurs a more intense international orientation was registered in 2008 compared to 2009 and 2007, with almost twice as more early-stage entrepreneurs with 26-75% foreign clients and almost half less with 1-25% foreign clients. In 2009 these two shares reached 16.66%, and 57.18%, respectively.

Table 14: Early-stage entrepreneurs and established business owners by share of foreign clients in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|-----------------------------------|-----|-------|-------|-------|
| No customers outside country | TEA | 16.91 | 18.05 | 17.55 |
| | EB | 18.00 | 23.23 | 33.65 |
| 1-25% customers outside country | TEA | 64.84 | 32.79 | 57.18 |
| | EB | 61.08 | 56.16 | 42.90 |
| 26-75% customers outside country | TEA | 15.37 | 30.48 | 16.66 |
| | EB | 20.92 | 16.43 | 16.16 |
| 76-100% customers outside country | TEA | 2.78 | 18.68 | 10.60 |
| | EB | 0.10 | 4.18 | 7.29 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

Although the share of those early-stage entrepreneurs who have more than 75% foreign clients has dropped from 18.68% in 2008 to 10.6% in 2009, we can conclude a higher exclusive international orientation compared to the established business owner-managers in the whole analysed period, even if this latter share constantly increased (up to 7.29% in 2009).

Table 15: Early-stage entrepreneurs and established business owners by market expansion expectation in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|--|-----|------|------|------|
| No market expansion | TEA | 2.83 | 2.61 | 3.62 |
| | EB | 2.13 | 1.90 | 3.00 |
| Some market expansion, no new technology | TEA | 1.19 | 1.12 | 0.91 |
| | EB | 0.35 | 0.17 | 0.34 |
| Some market expansion, with new technology | TEA | 0.00 | 0.19 | 0.47 |
| | EB | 0.04 | 0.00 | 0.03 |
| Profound market expansion | TEA | 0.00 | 0.07 | 0.03 |
| | EB | 0.00 | 0.00 | 0.00 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The market expansion expectations of early-stage entrepreneurs and established business owner-managers are worse in 2009 than they were in the previous two years, with the highest rate of those who expect no market expansion. Results in Table 15 also highlight the year 2008, when the lowest entrepreneurial pessimism of the three years has been registered regarding the no market expansion expectation.

6.2. Innovation oriented entrepreneurial activity

The results of the innovation orientation analysis do not indicate major changes over the 2007-2009 time periods. They emphasize a low level of innovative initiatives and a more accentuated innovation oriented activity of the early-stage entrepreneurs (60.6% with products new to none of the customers) than the established business-managers (84.24%).

Table 16: Early-stage entrepreneurs and established business owners by product novelty in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|--------------------------------------|-----|------|------|-------|
| Product new to all customers | TEA | 6.5 | 12.5 | 7.33 |
| | EB | 4.0 | 0.0 | 3.95 |
| Product new to some customers | TEA | 29.8 | 21.8 | 32.07 |
| | EB | 11.5 | 14.3 | 11.80 |
| Product new to none of the customers | TEA | 63.7 | 65.7 | 60.60 |
| | EB | 84.5 | 85.7 | 84.24 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In addition, analysing the competition faced by Romanian entrepreneurs, we conclude that in 2009 more than 70% of early-stage entrepreneurs and established business owners offer products that many other businesses do.

Table 17: Early-stage entrepreneurs and established business owners by degree of competition in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|----------------------------------|-----|------|------|-------|
| Many business offer same product | TEA | 68.4 | 71.8 | 70.45 |
| | EB | 76.4 | 77.4 | 71.49 |
| Few business offer same product | TEA | 29.6 | 19.7 | 28.97 |
| | EB | 20.9 | 18.4 | 24.91 |
| None business offer same product | TEA | 2.0 | 8.6 | 0.58 |
| | EB | 2.6 | 4.3 | 3.60 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The level of technology in case of early-stage entrepreneurs is slightly newer than the technology used by established entrepreneurs. The generally low innovative level of Romanian entrepreneurship is also emphasized by the 71%, respectively 91.48% share in 2009 of those who do not use new technology.

Table 18: Early-stage entrepreneurs and established business owners by technology level in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|--|-----|------|------|-------|
| Uses very latest technology (only available since last year) | TEA | 0.0 | 6.4 | 9.92 |
| | EB | 1.4 | 0.0 | 1.03 |
| Uses new technology (1 to 5 years) | TEA | 23.1 | 14.7 | 19.08 |
| | EB | 5.3 | 5.7 | 7.49 |
| Uses no new technology | TEA | 76.9 | 80.0 | 71.00 |
| | EB | 93.3 | 94.3 | 91.48 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

On the basis of the innovation and competitiveness in case of early-stage entrepreneurs it can be emphasized that in the analysed period the share of those who declared that they face on the market many competitors among those who consider that their product is new to none of the customers is significantly higher than the share of those whose product is new for some of the customers⁶. Similarly, the share of those who face few competitors is significantly higher among those who consider that their product is new for some of the customers than those with none of the customers considering the product as new or unfamiliar.

Table 19: Innovation and competitiveness in case of early-stage entrepreneurs in Romania, 2007-2009 (%)

| | | How many (potential) customers consider product new/unfamiliar? | | | | | | | | |
|---|------|---|------|------|------|------|------|------|------|------|
| | | 2007 | | | 2008 | | | 2009 | | |
| | | All | Some | None | All | Some | None | All | Some | None |
| How many businesses offer the same products? | Many | 100.0 | 22.4 | 86.7 | 59.2 | 43.6 | 83.6 | 42.0 | 54.8 | 82.1 |
| | Few | 0.0 | 71.0 | 13.3 | 24.1 | 49.5 | 8.9 | 50.0 | 45.2 | 17.9 |
| | None | 0.0 | 6.6 | 0.0 | 16.7 | 6.9 | 7.6 | 8.0 | 0.0 | 0.0 |

Source: GEM, Adult Population Survey, Romania, 2007 - 2009

Table 20 indicates that half of the early-stage entrepreneurs consider that their product is not new or unfamiliar for any of their customers and, at the same time, they also face many competitors who offer the same product.

Table 20: Innovation and competitiveness in case of early-stage entrepreneurs in Romania, 2007-2009 (%)

| | | How many (potential) customers consider product new/unfamiliar? | | | | | | | | |
|---|------|---|------|------|------|------|------|------|------|------|
| | | 2007 | | | 2008 | | | 2009 | | |
| | | All | Some | None | All | Some | None | All | Some | None |
| How many businesses offer the same products? | Many | 6.5 | 6.7 | 55.2 | 7.4 | 9.5 | 54.9 | 3.1 | 17.6 | 49.8 |
| | Few | 0.0 | 21.1 | 8.5 | 3.0 | 10.8 | 5.8 | 3.7 | 14.5 | 10.8 |
| | None | 0.0 | 2.0 | 0.0 | 2.1 | 1.5 | 5.0 | 0.6 | 0.0 | 0.0 |

Source: GEM, Adult Population Survey, Romania, 2007- 2009

6.3. High-growth expectation entrepreneurship

The structure of early-stage entrepreneurs and established business owners by number of jobs shows a significantly lower percentage of businesses with no jobs in 2009 compared to the previous years (in 2007 in case of TEA and in 2008 in case of EB), with a significantly higher share of entrepreneurs whose businesses offer 1-5 jobs in 2009 than in the previous years⁷.

Table 21: Early-stage entrepreneurs and established business owners by current number of jobs in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|------------|-----------|------|------|------|
| TEA | No jobs | 38.8 | 27.1 | 5.1 |
| | 1-5 jobs | 41.5 | 48.1 | 83.6 |
| | 6-19 jobs | 5.0 | 21.5 | 11.4 |
| | 20+ jobs | 14.6 | 3.3 | 0.0 |
| EB | No jobs | 28.8 | 50.0 | 10.6 |
| | 1-5 jobs | 41.7 | 26.1 | 73.9 |
| | 6-19 jobs | 28.2 | 14.3 | 13.4 |
| | 20+ jobs | 1.3 | 9.7 | 2.1 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The high-growth expectations have been reduced in the analysed three years, in 2007 31.6% of the early-stage entrepreneurs and 19.2% of the established business owner-managers expected their businesses to have more than 20 new employees within five years, this share being reduced in 2009 to 10.1% in case of early-stage entrepreneurs, and to 9.9% in case of established entrepreneurs. The share of those who expect to have only 1-5 new employees within 5 years reached in 2009 68.9% of the early stage entrepreneurs and 63.3% of established business owner-managers from the 31.2%, respectively 34.2% in 2007.

Table 22: Early-stage entrepreneurial aspirations in Romania, 2007-2009 (%)

| | | 2007 | 2008 | 2009 |
|------------|-----------|------|------|------|
| TEA | No jobs | 8.2 | 3.9 | 5.2 |
| | 1-5 jobs | 31.6 | 47.1 | 68.9 |
| | 6-19 jobs | 28.1 | 22.8 | 15.9 |
| | 20+ jobs | 32.1 | 26.2 | 10.1 |
| EB | No jobs | 28.0 | 26.8 | 16.0 |
| | 1-5 jobs | 34.2 | 30.2 | 63.3 |
| | 6-19 jobs | 18.6 | 29.2 | 10.8 |
| | 20+ jobs | 19.2 | 13.7 | 9.9 |

Source: GEM, Adult Population Survey, Romania, 2007- 2009

In addition, for 2009 a significant increase of the share of those early-stage entrepreneurs who expect to have 1-5 new employees within five years has to be outlined. Meanwhile, the share of those who plan to have more than 20 new employees decreased significantly compared to 2007⁸.

Regarding the Romanian entrepreneurial aspirations in the three analysed years the following changes can be pointed out:

- a decrease of the high-growth expectation early-stage entrepreneurial activity to 0.27% of the adult population aged between 18-64 years,
- a slight increase of the new product-market oriented early-stage entrepreneurial activity rate to 18.73% of early-stage entrepreneurship,
- the level of international orientation entrepreneurial activity rate being at 27.26% in 2009.

Table 23: Early-stage entrepreneurial aspirations in Romania, 2007-2009 (%)

| Aspirations | 2007 | 2008 | 2009 |
|--|-------|-------|-------|
| High-growth expectation early-stage entrepreneurial activity | 0.70 | 0.52 | 0.27 |
| New product-market oriented early-stage entrepreneurial activity | 14.54 | 15.72 | 18.73 |
| International orientation entrepreneurial activity | 18.25 | 49.16 | 27.26 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

7. Entrepreneurial attitudes and perceptions

Perceptions of the Romanian adult population regarding the entrepreneurial activity show a worsening situation in the 2007-2009 time periods. This situation can be characterized by the increase of the share of those who consider that fear of failure prevents them from starting a business from 28.3% to 50.4% and by the decrease of the share of those who see good business opportunity in the following six month from 26.2% to 13.8%.

In 2009 the 27.3% share of those who consider that they have the required knowledge and skills to start a business, the 35.5% percentage of those who know a person who started a business in the past two years, the 49.3% share of those who consider that the most of the people would prefer everyone to have a uniform standard of living and the 47.4% share of those who consider that successfully businesses are properly promoted by mass media also signal a slightly less entrepreneurial-friendly environment than in 2007 despite the relatively minor changes of these indicators.

In 2009 successful entrepreneurs are slightly more appreciated than they were in 2007, in 2009 67.2% of the adult population aged between 18-64 years (62.5% in 2007) consider that those who are successful at starting a new business have a high level of status and respect.

Analysing the individual perceptions on entrepreneurship by gender, it has to be mentioned that the 11 percentage point difference in 2007 between the percentage of men and women (less in case of men) who consider that fear of failure would prevent them from starting a business narrowed to only 2 percentage points in 2009.

Table 24: Individual perceptions regarding entrepreneurial activity in Romania, 2007-2009 (%)

| Perceptions | | 2007 | 2008 | 2009 |
|---|----------------|-------------|-------------|-------------|
| Fear of failure prevents from starting a business | Average | 28.3 | 41.5 | 50.4 |
| | Male | 22.1 | 37.6 | 49.3 |
| | Female | 33.9 | 45.2 | 51.5 |
| Has the required knowledge and skills to start a business | Average | 29.4 | 23.8 | 27.3 |
| | Male | 34.6 | 31.7 | 30.4 |
| | Female | 24.6 | 16.5 | 24.2 |
| Knows a person who started a business in the past two years | Average | 41.6 | 37.9 | 35.5 |
| | Male | 43.6 | 43.0 | 37.1 |
| | Female | 39.9 | 33.1 | 33.9 |
| Prefers that everyone had a uniform standard of living | Average | 46.6 | 48.8 | 49.3 |
| | Male | 45.3 | 50.7 | 46.6 |
| | Female | 47.8 | 47.0 | 52.1 |
| Sees good opportunity for starting a business in the next six month | Average | 26.2 | 25.8 | 13.8 |
| | Male | 27.3 | 29.0 | 15.0 |
| | Female | 25.2 | 22.7 | 12.6 |
| Thinks that those who are successful at starting a new business have a high level of status and respect | Average | 62.5 | 68.5 | 67.2 |
| | Male | 58.0 | 68.3 | 68.2 |
| | Female | 66.5 | 68.8 | 66.2 |
| Considers that successful new businesses are properly promoted by the media | Average | 50.4 | 56.2 | 47.4 |
| | Male | 45.5 | 57.5 | 48.7 |
| | Female | 55.3 | 55.0 | 46.0 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In 2009 the only significant difference in aspirations by gender is in the case of the trust in own business starting skills: the share of men who think that they have the required skills to start a business remained significantly higher than the share of women in the whole analysed period. In 2009 it cannot be emphasized anymore that the share of men who know a person who started a business in the past two years or who saw good opportunities for starting a business in the next 6 months is significantly higher than in case of women (as it was in 2008). In 2009, the same holds for the share of women who thought that fear of failure would have prevented them from starting a business, that starting a business was considered as a good career choice, that persons growing a successful new business received high status or that there was lots of media coverage for new businesses (which were significantly higher in 2007 and in 2008, but not in 2009).

Table 25: Comparisons of column proportions ^{c,d}: individual perceptions regarding entrepreneurial activity in Romania, 2007-2009

| | 2007 | | 2008 | | 2009 | |
|---|------|--------|------|--------|------|--------|
| | Male | Female | Male | Female | Male | Female |
| | (A) | (B) | (A) | (B) | (A) | (B) |
| Knows a person who started a business in the past 2 years | | | B | | | |
| Sees good opportunities for starting a business in the next 6 months | | | B | | | |
| Has the required knowledge/skills to start a business | B | | B | | B | |
| Fear of failure would prevent to start a business | | A | | A | | |
| All inhabitants prefer uniform living standard | | | | | | |
| Starting a business is considered as a good career choice | | A | a,b | a,b | | |
| Persons growing a successful new business receive high status | | A | | | | |
| Lots of media coverage for new businesses | | A | | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pair wise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007- 2009

Analysing the individual perceptions by age groups it can be observed that during the 2007-2009 period the most positive attitude towards entrepreneurship can be generally observed in case of the 18-44 year olds, specifically in case of the 25-34 years old age group, while the 55-64 age group has the least positive attitude.

Table 26: Individual perceptions regarding the entrepreneurial activity in different age categories, 2007-2009 (%)

| | 2007 | | | | | 2008 | | | | | 2009 | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 |
| Knows a person who started a business in the past 2 years | 50.6 | 48.0 | 43.7 | 36.8 | 27.8 | 41.3 | 45.0 | 38.4 | 38.3 | 24.0 | 41.3 | 45.3 | 34.2 | 32.7 | 21.5 |
| Sees good opportunities for starting a business in the next 6 months | 24.3 | 26.0 | 30.7 | 27.5 | 20.7 | 26.2 | 28.4 | 26.7 | 26.3 | 19.9 | 14.7 | 18.9 | 13.7 | 11.3 | 9.0 |
| Has the required knowledge/skills to start a business | 36.9 | 35.7 | 27.7 | 27.4 | 18.5 | 22.2 | 28.9 | 23.6 | 27.0 | 14.5 | 29.9 | 32.9 | 28.0 | 28.4 | 15.7 |
| Fear of failure would prevent to start a business | 21.1 | 27.3 | 32.6 | 30.2 | 28.9 | 42.1 | 40.9 | 42.0 | 45.9 | 36.2 | 49.5 | 53.4 | 50.4 | 51.4 | 46.1 |
| All inhabitants prefer uniform living standard | 48.2 | 40.6 | 50.0 | 50.8 | 44.4 | 46.9 | 51.5 | 46.0 | 50.4 | 48.3 | 56.1 | 42.7 | 43.2 | 51.3 | 58.9 |
| Starting a business is considered as a good career choice | 64.0 | 61.2 | 57.7 | 62.0 | 60.9 | n.a. | n.a. | n.a. | n.a. | n.a. | 69.6 | 58.1 | 52.4 | 60.0 | 50.8 |
| Persons growing a successful new business receive high status | 62.9 | 65.0 | 61.0 | 64.9 | 57.9 | 74.9 | 70.0 | 62.2 | 70.8 | 66.3 | 75.5 | 69.3 | 61.5 | 72.8 | 56.3 |
| Lots of media coverage for new businesses | 56.5 | 52.5 | 51.8 | 46.2 | 45.2 | 62.0 | 57.1 | 52.8 | 60.6 | 49.7 | 42.3 | 55.5 | 42.6 | 49.1 | 43.3 |

Source: GEM, Adult Population Survey, Romania, 2007- 2009

In all three years significantly higher shares can be observed in case of the adult population aged between 18-24 and 25-34 years who know a person who started a business in the past two years compared to the population aged between 55-64 years. The shares of the 18-44 age group are significantly higher than the 55-64 age group in 2007 and in 2008, but not in 2009, while the significantly higher share in the 18-34 age group of those who know a person who started a business in the past two years compared to the 45-54 age group can be observed only in 2007⁹.

In 2009 every younger age group shows a significantly higher share of those who think they have the required knowledge to start a business compared to those aged between 55-64 years. The higher percentage of the 25-34 years old age group remained significantly higher over the whole analysed period.

In the 18-24 age category the percentage of those who know a person who started a business in the past two years stabilized at 41.3% in 2008 and 2009, dropping from 50.6% in 2007. The share of those who consider that fear of failure would prevent them from starting a business almost doubled between 2007 (21.1%) and 2008 (42.1%), reaching - after a further slight increase in 2009 - 49.5%. Similarly, the percentage of those who considered that successful entrepreneurs receive high status had an important increase between 2007 and 2008 from 62.9% to 74.9%, while in 2009 it remained almost unchanged (75.5%).

In 2009, the share of those who see good opportunities for starting a business in the next half year dropped to 14.7% from 25% in 2007 and 2008. The percentage of those who consider that inhabitants prefer uniform living standard increased from 48.2% (2007) and 46.9% (2008) to 56.1% in 2009. To the most important changes of the year 2009 regarding the attitudes towards entrepreneurship another important fact can be added: the share of those who consider that new successful businesses are promoted properly by the mass-media decreased among 18-24 age category from 62% in 2008 to 42.3% in 2009. The most important positive change of the year 2009 in case of 18-24 years old age group is that 29.9% consider themselves able to run a business, up from the 22.2% in 2008. However, this rate does not exceed the 36.9% rate registered in 2007.

Table 27: Individual perceptions regarding entrepreneurial activity in 18-24 age category, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 50.6 | 41.3 | 41.3 |
| Sees good opportunities for starting a business in the next 6 months | 24.3 | 26.2 | 14.7 |
| Has the required knowledge/skills to start a business | 36.9 | 22.2 | 29.9 |
| Fear of failure would prevent to start a business | 21.1 | 42.1 | 49.5 |
| All inhabitants prefer uniform living standard | 48.2 | 46.9 | 56.1 |
| Starting a business is considered as a good career choice | 64.0 | n.a. | 69.6 |
| Persons growing a successful new business receive high status | 62.9 | 74.9 | 75.5 |
| Lots of media coverage for new businesses | 56.5 | 62.0 | 42.3 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In the 18-24 age group there is a significantly higher percentage in 2008 and 2009 compared to 2007 of those who consider that fear of failure would prevent them from starting a business. It has to be mentioned that in 2008 this age group registered significantly higher shares compared to 2007 in respect of appreciating the mass-media contribution, considering that people running new businesses receive high status and also in respect of considering not having the necessary skills to run a business¹⁰.

In the 25-34 age group the percentage of those who know a person who started a business in the past two years remained at 45.3% in 2009, almost the same as the level measured in 2007 (48%) and in 2008 (45%). Between 2007 and 2008 only minor changes have been registered in the share of those who think that they have the required knowledge to start a business (35.7% in 2007, 32.9% in 2009), those who think that mass media promotes properly new successful businesses (52.5% in 2007, 55.5% in 2009) and those who think that people would prefer uniform standard of living (40.6% in 2007 to 42.7% in 2009). The percentage of those who considered that people appreciate successful entrepreneurs also increased from 65% in 2007 to 70% in 2009 in this age group. The mentioned indicators present in case of the 25-34 age category a more stable and a slightly more appropriate attitude towards entrepreneurship than in the case of the 18-24 age group.

The share of those who consider that fear of failure would prevent them from starting a business had an important increase from 2007 (27.3%) to 2008 (40.9%), slower than in case of the previous age group, but faster in 2009 (to 53.4%). People in this age category who see good business opportunities in 2009 represent only 18.9%. This share dropped from 26.0% in 2007 and 28.4% in 2008.

Table 28: Individual perceptions regarding entrepreneurial activity in 25-34 age category, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 48.0 | 45.0 | 45.3 |
| Sees good opportunities for starting a business in the next 6 months | 26.0 | 28.4 | 18.9 |
| Has the required knowledge/skills to start a business | 35.7 | 28.9 | 32.9 |
| Fear of failure would prevent to start a business | 27.3 | 40.9 | 53.4 |
| All inhabitants prefer uniform living standard | 40.6 | 51.5 | 42.7 |
| Starting a business is considered as a good career choice | 61.2 | n.a. | 58.1 |
| Persons growing a successful new business receive high status | 65.0 | 70.0 | 69.3 |
| Lots of media coverage for new businesses | 52.5 | 57.1 | 55.5 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The previously mentioned two indicators changed significantly in 2009. In the 25-34 age category the share of those who think that fear of failure would prevent them to start a business is significantly higher in 2009 than in 2008 and in 2008 than in 2007.

The share of those who see good business opportunities in the next 6 months is also significantly lower in 2009 than in 2008¹¹.

In the 35-44 age group the percentage of those who know a person who started a business in the past two years stabilized at 34.2% in 2009, decreasing from 43.7% in 2007 and 38.4% in 2008. Similarly to the previously analyzed two younger age

groups, the share of those who consider that fear of failure would prevent them from starting a business increased from a higher starting value of 32.6% in 2007 to 42% in 2008 and 50.4% in 2009. The positive appreciation of the media coverage for new businesses also decreased at this age group in 2009, from 52% in 2007 and 42.6% in 2008.

In the 35-44 age group minor changes have been registered between 2007 and 2009 in the share of those who think that they have the required knowledge to start a business (27.7% in 2007, 28% in 2009), and in the percentage of those who consider that people appreciate successful entrepreneurs (61% in 2007, 61.5% in 2009). In this age group the share of those who think that people would prefer a uniform living standard decreased from 50% in 2007 to 43.2% in 2009, to a lower level than in case of the previously analysed younger age groups.

Table 29: Individual perceptions regarding entrepreneurial activity in 35-44 age category, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 43.7 | 38.4 | 34.2 |
| Sees good opportunities for starting a business in the next 6 months | 30.7 | 26.7 | 13.7 |
| Has the required knowledge/skills to start a business | 27.7 | 23.6 | 28.0 |
| Fear of failure would prevent to start a business | 32.6 | 42.0 | 50.4 |
| All inhabitants prefer uniform living standard | 50.0 | 46.0 | 43.2 |
| Starting a business is considered as a good career choice | 57.7 | n.a. | 52.4 |
| Persons growing a successful new business receive high status | 61.0 | 62.2 | 61.5 |
| Lots of media coverage for new businesses | 51.8 | 52.8 | 42.6 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In 2009 the share of those who see good business opportunities in the next 6 months is significantly lower compared to 2007 and 2008 and the share of those who consider that fear of failure would prevent them from starting a business is significantly higher compared to 2008 in the 35-44 age group¹².

In the 45-54 age group, similarly to the previously analysed three younger age groups, the share of those who consider that fear of failure would prevent them from starting a business had an important increase from 30.2% in 2007 to 45.9% in 2008 and 51.4% in 2009. Similarly to the 18-24, 25-34 and 35-44 age groups, in 2009, the share of people who see good business opportunities in the next 6 months decreased, from around 27% in 2007 and 2008 to 11.3% in 2009.

The percentage of those who know a person who started a business in the past two years is 32.7% in 2009, decreasing from 36.8% in 2007 and 38.3% in 2008. The positive appreciation of the media coverage for new businesses returned close to the

2007 level, below 50% in 2009 (46.2% in 2007 and 49.1% in 2009), after a 2008 increase (up to 60.6%). In the 45-54 age group minor changes have been registered between 2007 and 2009 in the share of those who think that they have the required knowledge to start a business (27.4% in 2007, 28.4% in 2009), and in the percentage of those who consider that people appreciate successful entrepreneurs (64.9% in 2007 to 72.8% in 2009). In this age group the share of those who think that people would prefer a uniform living standard improved from 50.8% in 2007 to 51.3% in 2009.

Table 30: Individual perceptions regarding entrepreneurial activity in 45-54 age category, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 36.8 | 38.3 | 32.7 |
| Sees good opportunities for starting a business in the next 6 months | 27.5 | 26.3 | 11.3 |
| Has the required knowledge/skills to start a business | 27.4 | 27.0 | 28.4 |
| Fear of failure would prevent to start a business | 30.2 | 45.9 | 51.4 |
| All inhabitants prefer uniform living standard | 50.8 | 50.4 | 51.3 |
| Starting a business is considered as a good career choice | 62.0 | n.a. | 60.0 |
| Persons growing a successful new business receive high status | 64.9 | 70.8 | 72.8 |
| Lots of media coverage for new businesses | 46.2 | 60.6 | 49.1 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In 2009 a smaller share of those who see good business opportunities in the next 6 months can be observed in comparison with 2007 and 2008. Significantly higher rates can be identified in 2008 and 2009 compared to 2007 in case of those who consider that fear of failure would prevent them from starting a business¹³.

In the 55-64 age category opportunity recognition rate dropped to 9% in 2009 (from 20.7% in 2007) and fear of failure rate increased to 46.1% in 2009 (from 28.9% in 2007). This age group presents the most unfavourable rates regarding entrepreneurship in respect of the analysed indicators.

Table 31: Individual perceptions regarding entrepreneurial activity in 55-64 age category, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 27.8 | 24.0 | 21.5 |
| Sees good opportunities for starting a business in the next 6 months | 20.7 | 19.9 | 9.0 |
| Has the required knowledge/skills to start a business | 18.5 | 14.5 | 15.7 |
| Fear of failure would prevent to start a business | 28.9 | 36.2 | 46.1 |
| All inhabitants prefer uniform living standard | 44.4 | 48.3 | 58.9 |
| Starting a business is considered as a good career choice | 60.9 | n.a. | 50.8 |
| Persons growing a successful new business receive high status | 57.9 | 66.3 | 56.3 |
| Lots of media coverage for new businesses | 45.2 | 49.7 | 43.3 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In 2009 the share of those who see good business opportunities in the next 6 months is smaller than in 2007 and 2008. In the analysed period there are statistically significant differences for the 55-64 age group, too. In this age group the share of those who consider that fear of failure would prevent them from starting a business is also significantly higher in 2009 than in 2007¹⁴.

The individual perceptions regarding entrepreneurial activity by household income categories indicate better entrepreneurial perception rates in the upper 33% income tile, but also a superior sensibility to the changes in the environment in the 2007-2009 periods. While the share of those who know a person who started a business in the past 2 years decreased in the lowest income tile from 26.1% in 2007 to 22.2% in 2009, and in the middle tile from 41.9% to 33.2%, in the upper tile, the decrease over the three years (from 60.8% in 2007) was the most dramatic, even if this rate still remained the highest among income categories (46.5%) in 2009.

The upper income tile had the highest share (34.6%) of those who saw good business opportunities for the next half year in 2007, but this rate became the lowest (9%) of the three tiles in 2009. In case of the lowest income tile the level of this rate is similar in 2009 (12.8%) to the 2007 level (12.8%), after an important increase in 2008. In 2009 this rate became the highest of the three tiles in the middle income tile (15.6%, decreasing from 27% in 2007).

People in the middle and high income tile were the least self-confident in their entrepreneurial knowledge and skills in 2008, but this rate increased in 2009 (to 23.2%, respectively 39.2%), without reaching the 2007 level. This rate in the lowest income tile remained at 15% level in the three analysed years.

Fear of failure rate increased fast in 2008 to half of the population and remained high, also in 2009, in all tiles.

Between 2007 and 2009 the percentage of those who consider that all inhabitants prefer uniform living standard increased in the lowest income tile, becoming the highest in 2009 (and the lowest in the middle 33% tile).

Table 32: Individual perceptions regarding entrepreneurial activity by household income categories, 2007-2009 (%)

| | 2007 | | | 2008 | | | 2009 | | |
|--|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | lowest 33% | middle 33% | upper 33% | lowest 33% | middle 33% | upper 33% | lowest 33% | middle 33% | upper 33% |
| Knows a person who started a business in the past 2 years | 26.1 | 41.9 | 60.8 | 27.1 | 35.0 | 45.8 | 22.2 | 33.2 | 46.5 |
| Sees good opportunities for starting a business in the next 6 months | 13.6 | 27.0 | 34.6 | 24.5 | 22.4 | 29.6 | 12.8 | 15.6 | 9.0 |
| Has the required knowledge/skills to start a business | 15.1 | 28.6 | 43.4 | 16.2 | 19.5 | 32.7 | 14.9 | 23.2 | 39.2 |
| Fear of failure would prevent to start a business | 31.7 | 34.8 | 25.2 | 46.5 | 44.6 | 44.9 | 45.1 | 52.1 | 47.9 |
| All inhabitants prefer uniform living standard | 42.0 | 47.5 | 51.2 | 53.3 | 54.0 | 50.6 | 53.6 | 40.9 | 48.2 |
| Starting a business is considered as a good career choice | 48.7 | 60.9 | 70.3 | n.a. | n.a. | n.a. | 45.3 | 64.5 | 57.5 |
| Persons growing a successful new business receive high status | 53.7 | 66.3 | 69.4 | 73.8 | 68.7 | 72.2 | 60.2 | 71.9 | 66.9 |
| Lots of media coverage for new businesses | 42.3 | 54.1 | 57.6 | 53.2 | 55.9 | 64.1 | 48.1 | 46.8 | 43.0 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The share of those who know a person who started a business in the past 2 years is significantly higher in all three years in the upper income tile than in the middle and the lowest tile. In 2009 and 2007 this share is also significantly higher in the middle tile than in the lowest tile.

The rate of those who consider themselves able to start a business is also significantly higher in all three years in the upper income tile than in the middle and the lowest income tile.

In the middle income tile, compared to the lowest tile, a significantly higher share considers that starting a business is a good career choice.

In respect of the following three aspects: seeing good opportunities for the next half year, thinking that growing a successful new business receives high status and thinking that there is lots of media coverage for new businesses a significantly higher share was identified in 2007 in the upper and the middle tile compared to the lowest tile, which could not be validated for 2009¹⁵.

In the lower household income category the fear of failure rate and the share of those who consider that people prefer a uniform standard of living had an important increase after 2007, remaining at the same level in 2008 and 2009.

The share of those who appreciated that there is lots of media coverage for new businesses increased in 2008, decreasing almost to the 2007 level in 2009.

The rate of those who know other entrepreneurs and of those who think they have the required skills to start a business remained stable in the analysed period, with only a slight decrease.

Table 33: Individual perceptions of the lower household income category regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 26.1 | 27.1 | 22.2 |
| Sees good opportunities for starting a business in the next 6 months | 13.6 | 24.5 | 12.8 |
| Has the required knowledge/skills to start a business | 15.1 | 16.2 | 14.9 |
| Fear of failure would prevent to start a business | 31.7 | 46.5 | 45.1 |
| All inhabitants prefer uniform living standard | 42.0 | 53.3 | 53.6 |
| Starting a business is considered as a good career choice | 48.7 | 0.0 | 45.3 |
| Persons growing a successful new business receive high status | 53.7 | 73.8 | 60.2 |
| Lots of media coverage for new businesses | 42.3 | 53.2 | 48.1 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

For the lower household income category the year 2008 indicates significantly higher percentages in opportunity recognition rate and entrepreneurial high status appreciation rate in comparison with 2007 and 2009. Fear of failure is significantly

higher both in 2008 and in 2009 compared to 2007, while the uniform living standard rate is significantly higher in 2008 than in 2007¹⁶.

The share of those who know somebody who started a business in the past 2 years and the percentage of people who see good business opportunities in the next half year decreased faster in the middle household income category than in the lower category. The share of those who consider that they have the required skills to start a business increased in 2009 after the 2008 minimum level. In this category, in the year 2008 the highest rates were measured in respect of people appreciating a uniform living standard, and the media coverage for new businesses. The share of those who think that persons growing a successful new business receive high status and the fear of failure rate increased in the analyzed period.

Table 34: Individual perceptions of the middle household income category regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 41.9 | 35.0 | 33.2 |
| Sees good opportunities for starting a business in the next 6 months | 27.0 | 22.4 | 15.6 |
| Has the required knowledge/skills to start a business | 28.6 | 19.5 | 23.2 |
| Fear of failure would prevent to start a business | 34.8 | 44.6 | 52.1 |
| All inhabitants prefer uniform living standard | 47.5 | 54.0 | 40.9 |
| Starting a business is considered as a good career choice | 60.9 | n.a. | 64.5 |
| Persons growing a successful new business receive high status | 66.3 | 68.7 | 71.9 |
| Lots of media coverage for new businesses | 54.1 | 55.9 | 46.8 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In the middle 33% household income tile significantly lower shares can be identified in seeing good business opportunities in the next half year in 2009 compared to 2007 and significantly higher fear of failure rate in 2009 and 2008 in comparison with 2007¹⁷.

In the analysed period in the upper 33% household income tile the year 2008 brought an important drop in the share of those who know a person who started a business in the past 2 years, while the 2009 value remained at the same level. The minimum share of those who have the required knowledge/skills to start a business increased in 2009. In this category the year 2009 also indicates a stabilized fear of failure rate compared to 2008 after a 20 percentage points increase from 2007, to 45% level.

The opportunity recognition rate decreased in three years with more than 24 percentage points to 9% in 2009. The 43% of the upper income category considering in 2009 that there is lots of media coverage for new businesses represents, at the same time, the lowest rate in the last three years.

The share of people considering that persons growing a successful new business receive high status and that all inhabitants prefer uniform living standard remained relatively stable in the analysed period.

Table 35: Individual perceptions of the upper household income category regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 60.8 | 45.8 | 46.5 |
| Sees good opportunities for starting a business in the next 6 months | 34.6 | 29.6 | 9.0 |
| Has the required knowledge/skills to start a business | 43.4 | 32.7 | 39.2 |
| Fear of failure would prevent to start a business | 25.2 | 44.9 | 47.9 |
| All inhabitants prefer uniform living standard | 51.2 | 50.6 | 48.2 |
| Starting a business is considered as a good career choice | 70.3 | n.a. | 57.5 |
| Persons growing a successful new business receive high status | 69.4 | 72.2 | 66.9 |
| Lots of media coverage for new businesses | 57.6 | 64.1 | 43.0 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In 2008 and 2009 in case of the upper 33% household income category the share of those who know a person who started a business in the past 2 years is significantly lower and the fear of failure rate is significantly higher than in 2007. In 2009 a significantly lower share of this income category considers that starting a business is considered as a good career choice and that there is lots of media coverage for successful businesses compared to 2007 and 2008. Significantly less percentage thinks that starting a business is considered as a good career choice in 2009 than in 2007.

In 2008 the share of those who consider that they have the required knowledge/skills to start a business decreased significantly compared to 2007, but showed no significant change in 2009.

Table 36: Comparisons of column proportions ^{c,d}: Individual perceptions of the upper household income category regarding entrepreneurial activity, 2007-2009

| | 2007 | 2008 | 2009 |
|--|------|----------------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | B C | | |
| Sees good opportunities for starting a business in the next 6 months | C | C | |
| Has the required knowledge/skills to start a business | B | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | C | ^{a,b} | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | C | C | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

The individual perception analyse regarding entrepreneurial activity by educational level shows that the highest share of those who see good opportunities in the next 6 month, of those who know a person who started a business in the last 2 years and of those who think that they have the required knowledge to start a business is the highest or one of the highest among the university graduates and the lowest among the some secondary graduates in the analysed years. The share of university graduates who know somebody who started a business dropped temporary in 2008 to the level of the secondary and post secondary degree, but in 2009 the results indicate a similar situation to the year 2007, with higher rate in the more educated categories. The share of those who think they have the required skills to run a business is smaller in all categories in 2009 than in 2007, with the highest rate in university graduates' category and with smaller and similar level in the other three categories. The percentage of those people who think that they have the required

skills to run a business remained the highest in the period despite a lower share in 2009 (and especially in 2008) than in 2007. The increase of this rate in post secondary degree category from 2007 to 2009 has to be noticed too. The lowest rates remained in the some secondary education category.

Table 37: Individual perceptions regarding entrepreneurial activity by educational level, 2007-2009 (%)

| | 2007 | | | | 2008 | | | | 2009 | | | |
|--|----------------|------------------|----------------|----------|----------------|------------------|----------------|----------|----------------|------------------|----------------|----------|
| | some secondary | secondary degree | post secondary | grad exp | some secondary | secondary degree | post secondary | grad exp | some secondary | secondary degree | post secondary | grad exp |
| Knows a person who started a business in the past 2 years | 17.2 | 32.8 | 38.2 | 65.6 | 29.0 | 43.0 | 43.9 | 42.8 | 16.0 | 35.2 | 45.5 | 63.0 |
| Sees good opportunities for starting a business in the next 6 months | 13.1 | 20.2 | 24.5 | 39.7 | 21.3 | 29.3 | 21.7 | 30.6 | 13.3 | 13.3 | 13.4 | 24.9 |
| Has the required knowledge/skills to start a business | 9.8 | 20.6 | 23.0 | 63.4 | 15.9 | 25.8 | 29.2 | 32.4 | 12.0 | 27.6 | 38.4 | 48.1 |
| Fear of failure would prevent to start a business | 29.4 | 30.2 | 29.8 | 21.2 | 44.4 | 38.7 | 38.8 | 42.6 | 50.6 | 49.6 | 56.3 | 44.1 |
| All inhabitants prefer uniform living standard | 43.0 | 57.7 | 46.0 | 43.6 | 53.1 | 48.5 | 43.5 | 46.9 | 53.8 | 49.9 | 42.9 | 39.7 |
| Starting a business is considered as a good career choice | 61.0 | 55.9 | 59.4 | 67.6 | n.a. | n.a. | n.a. | n.a. | 53.1 | 57.3 | 59.2 | 64.8 |
| Persons growing a successful new business receive high status | 52.4 | 64.0 | 61.0 | 72.4 | 72.2 | 66.3 | 60.7 | 69.0 | 76.3 | 68.5 | 61.4 | 48.7 |
| Lots of media coverage for new businesses | 35.2 | 46.1 | 48.4 | 60.6 | 55.7 | 55.6 | 53.0 | 60.8 | 34.9 | 47.5 | 48.2 | 52.5 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The share of those who know a person who started a business in the past two years is significantly higher in every category compared to the category of people with some secondary education, in each year. The share of those who consider that they have the required skills is significantly higher in every category in comparison with the category of people with some secondary education, both in 2008 and 2009 (in the two higher education categories in 2007, too). The share of university graduated adults is significantly higher than the share of people with some secondary degree in 2007 and 2009. There is a significantly higher share of the graduate experienced category compared to post secondary and secondary education categories regarding the opportunity recognition, knowing other entrepreneur and trusting their entrepreneurial capacities in 2007, this significant difference can not be identified in 2008 and 2009¹⁸.

Analysing the individual perceptions of people whose educational level falls in the “some secondary” category, we can conclude that while the fear of failure rate is significantly higher in 2008 and 2009 compared to 2007 due to the unfavourable economic climate, the share of those who think that growing a successful business is connected with high status increased significantly¹⁹.

Table 38: Individual perceptions regarding entrepreneurial activity of those whose educational level is some secondary, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 17.2 | 29.0 | 16.0 |
| Sees good opportunities for starting a business in the next 6 months | 13.1 | 21.3 | 13.3 |
| Has the required knowledge/skills to start a business | 9.8 | 15.9 | 12.0 |
| Fear of failure would prevent to start a business | 29.4 | 44.4 | 50.6 |
| All inhabitants prefer uniform living standard | 43.0 | 53.1 | 53.8 |
| Starting a business is considered as a good career choice | 61.0 | n.a. | 53.1 |
| Persons growing a successful new business receive high status | 52.4 | 72.2 | 76.3 |
| Lots of media coverage for new businesses | 35.2 | 55.7 | 34.9 |

Source: GEM, Adult Population Survey, Romania, 2007- 2009

In case of people with secondary degree we can observe that in the analysed period only the fear of failure rate increased significantly from 30.2% in 2007 to 49.6% in 2009. In each year the rate of those who think that they dispose the necessary skills to start a business and of those who think that growing a successful business means high status remained at the similar level²⁰.

Table 39: Individual perceptions regarding entrepreneurial activity of those whose educational level is secondary degree, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 32.8 | 43.0 | 35.2 |
| Sees good opportunities for starting a business in the next 6 months | 20.2 | 29.3 | 13.3 |
| Has the required knowledge/skills to start a business | 20.6 | 25.8 | 27.6 |
| Fear of failure would prevent to start a business | 30.2 | 38.7 | 49.6 |
| All inhabitants prefer uniform living standard | 57.7 | 46.5 | 49.9 |
| Starting a business is considered as a good career choice | 55.9 | n.a. | 57.3 |
| Persons growing a successful new business receive high status | 64.0 | 66.3 | 68.5 |
| Lots of media coverage for new businesses | 46.1 | 55.6 | 47.5 |

Source: GEM, Adult Population Survey, Romania, 2007- 2009

Table 40 shows the individual perceptions of the adult population with post secondary educational level. We can observe that the share of those who consider that fear of failure would prevent them from starting a new business has a significant growth in 2009 compared to 2007 and 2008. In 2009 the share of those who see good opportunities for starting a business in the next 6 months in the area where they live decreased significantly compared to the year 2007²¹.

Table 40: Individual perceptions regarding entrepreneurial activity of those whose educational level is post secondary, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 38.2 | 43.9 | 45.5 |
| Sees good opportunities for starting a business in the next 6 months | 24.5 | 21.7 | 13.4 |
| Has the required knowledge/skills to start a business | 23.0 | 29.2 | 38.4 |
| Fear of failure would prevent to start a business | 29.8 | 38.8 | 56.3 |
| All inhabitants prefer uniform living standard | 46.0 | 43.5 | 42.9 |
| Starting a business is considered as a good career choice | 59.4 | n.a. | 59.2 |
| Persons growing a successful new business receive high status | 61.0 | 60.7 | 61.4 |
| Lots of media coverage for new businesses | 48.4 | 53.0 | 48.2 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

Considering those who possess a graduate education the share of those who consider that fear of failure would prevent them from starting a new business increased significantly in 2008 and in 2009 in comparison with 2007²².

Table 41: Individual perceptions regarding entrepreneurial activity of those whose educational level is graduate experience, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| Knows a person who started a business in the past 2 years | 65.6 | 42.8 | 63.0 |
| Sees good opportunities for starting a business in the next 6 months | 39.7 | 30.8 | 24.9 |
| Has the required knowledge/skills to start a business | 63.4 | 32.4 | 48.1 |
| Fear of failure would prevent to start a business | 21.2 | 42.8 | 44.1 |
| All inhabitants prefer uniform living standard | 43.6 | 46.9 | 39.7 |
| Starting a business is considered as a good career choice | 67.6 | n.a. | 64.8 |
| Persons growing a successful new business receive high status | 72.4 | 69.0 | 48.7 |
| Lots of media coverage for new businesses | 60.6 | 60.8 | 52.5 |

Source: GEM, Adult Population Survey, Romania, 2007- 2009

In the following part we aim to analyse the differences between individual perceptions of entrepreneurs and non-entrepreneurs. In the analysed period the proportion of those who know a person who started a business in the past two years, of those who see good opportunities for starting a business in the next six months in the area where they live, and of those who consider that they dispose the necessary skills and knowledge for starting a new business is significantly higher in the case of entrepreneurs. We obtain the same results if we study these differences by gender (see Appendix 23 and Appendix 24). No significant differences were found in case of those who think that fear of failure would prevent them from starting a new business in the analysed period²³.

Table 42: Individual perceptions regarding entrepreneurial activity of entrepreneurs and non-entrepreneurs, 2007-2009 (%)

| | 2007 | | 2008 | | 2009 | |
|--|------|------|------|------|------|------|
| | No | Yes | No | Yes | No | Yes |
| Knows a person who started a business in the past 2 years | 33.5 | 81.3 | 31.7 | 75.8 | 28.0 | 73.6 |
| Sees good opportunities for starting a business in the next 6 months | 20.9 | 51.5 | 22.7 | 45.9 | 11.4 | 27.3 |
| Has the required knowledge/skills to start a business | 19.4 | 77.0 | 16.8 | 64.5 | 19.1 | 69.6 |
| Fear of failure would prevent to start a business | 29.0 | 25.3 | 41.7 | 40.3 | 49.9 | 52.7 |
| All inhabitants prefer uniform living standard | 46.2 | 48.4 | 47.6 | 56.5 | 48.9 | 50.2 |
| Starting a business is considered as a good career choice | 59.5 | 68.1 | n.a. | n.a. | 55.3 | 63.5 |
| Persons growing a successful new business receive high status | 60.7 | 71.1 | 67.5 | 74.5 | 65.6 | 70.8 |
| Lots of media coverage for new businesses | 46.5 | 67.0 | 54.4 | 66.0 | 45.3 | 52.5 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

If we analyse the individual perceptions regarding entrepreneurial activity of entrepreneurs and non-entrepreneurs by gender, we can observe that the fear of failure rate increased considerably from 2007 to 2009 at both genders with faster increase at male entrepreneurs (from 19.8% to 54.3%) and non-entrepreneurs (from 22.8% to 48%) than in case of female entrepreneurs (from 33.9% to 50.4%) and non-entrepreneurs (from 33.9% to 51.7%). It is worth to notice that in 2009 there is no significant difference anymore in this rate by genders. The share of those male

entrepreneurs who consider that they have the required skills and knowledge to start a business became significantly higher in 2008 and in 2009 compared to the case of female entrepreneurs²⁴.

Table 43: Individual perceptions regarding entrepreneurial activity of entrepreneurs and non-entrepreneurs, by gender, 2007-2009 (%)

| | 2007 | | | | 2008 | | | | 2009 | | | |
|--|------|------|------|------|------|------|------|------|------|------|------|------|
| | No | | Yes | | No | | Yes | | No | | Yes | |
| | M | F | M | F | M | F | M | F | M | F | M | F |
| Knows a person who started a business in the past 2 years | 32.8 | 34.0 | 81.6 | 80.8 | 35.1 | 28.6 | 83.0 | 66.4 | 27.7 | 28.3 | 75.6 | 70.6 |
| Sees good opportunities for starting a business in the next 6 months | 18.6 | 22.8 | 54.9 | 44.2 | 25.3 | 20.4 | 47.2 | 43.7 | 11.4 | 11.4 | 31.8 | 21.1 |
| Has the required knowledge/skills to start a business | 20.7 | 18.3 | 80.8 | 70.4 | 22.8 | 11.6 | 74.7 | 51.3 | 19.0 | 19.2 | 77.7 | 57.4 |
| Fear of failure would prevent to start a business | 22.8 | 33.9 | 19.8 | 33.9 | 37.8 | 45.1 | 36.3 | 45.6 | 48.0 | 51.7 | 54.3 | 50.4 |
| All inhabitants prefer uniform living standard | 44.3 | 47.7 | 48.4 | 48.4 | 49.5 | 45.8 | 56.6 | 56.3 | 43.2 | 53.9 | 53.1 | 45.9 |
| Starting a business is considered as a good career choice | 53.9 | 64.0 | 69.6 | 65.3 | n.a. | n.a. | n.a. | n.a. | 52.2 | 58.2 | 62.3 | 65.2 |
| Persons growing a successful new business receive high status | 54.7 | 65.5 | 69.3 | 74.1 | 67.4 | 67.6 | 72.5 | 77.4 | 65.3 | 65.9 | 73.8 | 66.7 |
| Lots of media coverage for new businesses | 39.6 | 52.5 | 63.7 | 72.8 | 55.7 | 53.2 | 65.3 | 66.9 | 45.6 | 44.9 | 55.0 | 49.2 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In 2009 the share of those early-stage entrepreneurs who see good opportunities for starting a business in the next six months is significantly lower than in 2007 and in 2008. The percentage of those who consider that fear of failure would prevent them from starting a new business in 2009 is significantly higher (50.1%) than in 2007 (12.2%). There is also a significant decrease from 2008 to 2009 in the share of those early-stage entrepreneurs who consider that there is lots of media coverage for new businesses²⁵.

Table 44: Individual perceptions of early-stage entrepreneurs regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|-------|------|------|
| Knows a person who started a business in the past 2 years | 100.0 | 85.7 | 80.5 |
| Sees good opportunities for starting a business in the next 6 months | 67.2 | 61.7 | 32.0 |
| Has the required knowledge/skills to start a business | 95.2 | 89.6 | 86.2 |
| Fear of failure would prevent to start a business | 12.2 | 24.1 | 50.1 |
| All inhabitants prefer uniform living standard | 53.4 | 58.4 | 45.9 |
| Starting a business is considered as a good career choice | 58.6 | n.a. | 66.5 |
| Persons growing a successful new business receive high status | 76.9 | 69.7 | 73.3 |
| Lots of media coverage for new businesses | 62.0 | 73.3 | 43.4 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

Table 45 contains the individual perceptions of early-stage and non-early-stage entrepreneurs in the analysed period.

Table 45: Individual perceptions of early-stage and non-early-stage entrepreneurs regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | | 2008 | | 2009 | |
|--|------|-------|------|------|------|------|
| | No | Yes | No | Yes | No | Yes |
| Knows a person who started a business in the past 2 years | 41.7 | 100.0 | 41.1 | 88.7 | 33.6 | 79.2 |
| Sees good opportunities for starting a business in the next 6 months | 25.7 | 70.5 | 27.3 | 62.5 | 13.9 | 28.6 |
| Has the required knowledge/skills to start a business | 32.9 | 93.2 | 29.3 | 89.3 | 25.3 | 87.8 |
| Fear of failure would prevent to start a business | 22.3 | 17.5 | 37.9 | 29.5 | 49.7 | 45.2 |
| All inhabitants prefer uniform living standard | 44.6 | 64.1 | 50.6 | 52.6 | 46.0 | 49.3 |
| Starting a business is considered as a good career choice | 57.2 | 70.0 | n.a. | n.a. | 54.0 | 63.2 |
| Persons growing a successful new business receive high status | 57.6 | 69.3 | 68.4 | 67.1 | 67.4 | 73.6 |
| Lots of media coverage for new businesses | 44.9 | 61.3 | 56.6 | 74.2 | 50.3 | 40.3 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

We can observe that the share of those early-stage entrepreneurs who know a person who started a business in the past two years, who see good opportunities for starting a business in the next six months and who think that they possess the required skills to start a new business is significantly higher than in the case of non-early-stage entrepreneurs in each year. In case of the fear of failure rate, the share of those who think that all inhabitants prefer uniform living standard, the share of those who think that starting a new business is considered a good career choice, the percentage of those who consider that a successful new business means high status and of those who believe that new businesses gain lots of media coverage there were no significant differences measured, as it can be seen in Appendix 27.

The following table shows the evolution of individual perceptions in case of male early-stage entrepreneurs. We can observe that in 2009 the rate of those who see good opportunities for starting a business in the next six months is significantly lower (28.6%) than in 2007 (70.5%) and 2008 (62.5%). The share of those who consider that new businesses are properly promoted by the mass media is significantly lower in 2009 (40.3%) than in 2008 (74.2%)²⁶.

Table 46: Individual perceptions of male early-stage entrepreneurs regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|-------|------|------|
| Knows a person who started a business in the past 2 years | 100.0 | 88.7 | 79.2 |
| Sees good opportunities for starting a business in the next 6 months | 70.5 | 62.5 | 28.6 |
| Has the required knowledge/skills to start a business | 93.2 | 89.3 | 87.8 |
| Fear of failure would prevent to start a business | 17.5 | 29.5 | 45.2 |
| All inhabitants prefer uniform living standard | 64.1 | 52.6 | 49.3 |
| Starting a business is considered as a good career choice | 70.0 | n.a. | 63.2 |
| Persons growing a successful new business receive high status | 69.3 | 67.1 | 73.6 |
| Lots of media coverage for new businesses | 61.3 | 74.2 | 40.3 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

In comparison with male early-stage entrepreneurs female early-stage entrepreneurs show a significant difference in respect of the share of those who think that fear of failure would prevent them from starting a new business in the analysed period.

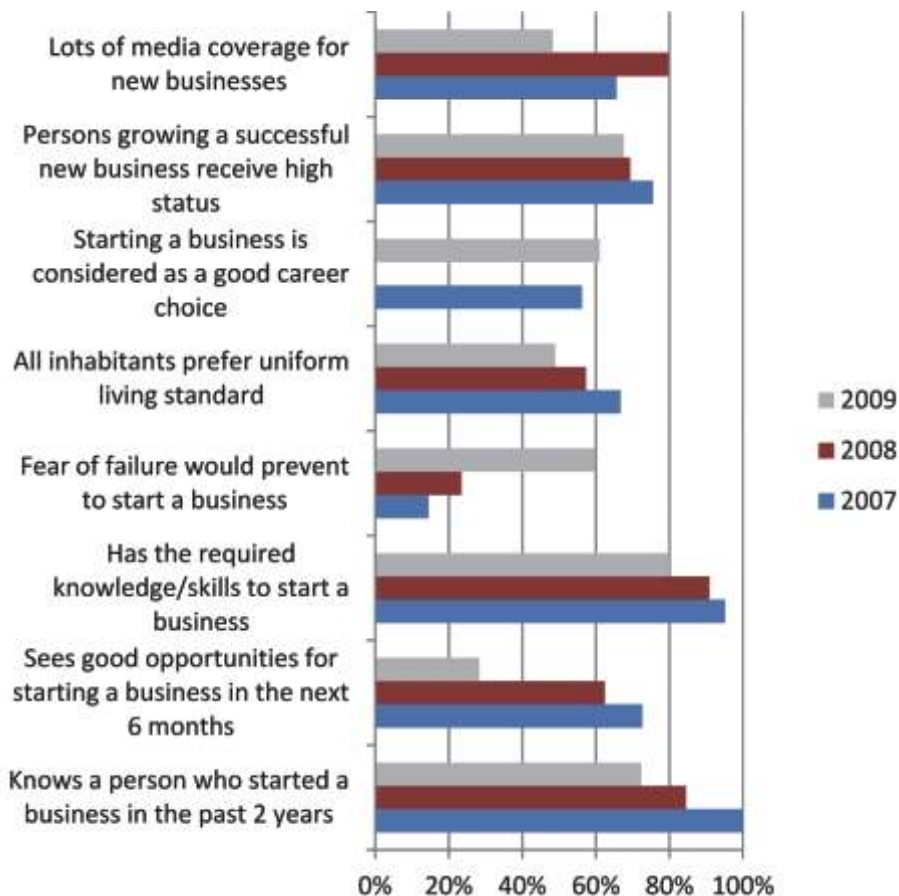
Table 47: Individual perceptions of female early-stage entrepreneurs regarding entrepreneurial activity, 2007-2009 (%)

| | 2007 | 2008 | 2009 |
|--|-------|------|------|
| Knows a person who started a business in the past 2 years | 100.0 | 76.7 | 87.9 |
| Sees good opportunities for starting a business in the next 6 months | 61.3 | 58.5 | 46.8 |
| Has the required knowledge/skills to start a business | 97.8 | 90.2 | 78.0 |
| Fear of failure would prevent to start a business | 2.5 | 9.8 | 74.4 |
| All inhabitants prefer uniform living standard | 36.8 | 77.5 | 27.7 |
| Starting a business is considered as a good career choice | 37.9 | n.a. | 85.4 |
| Persons growing a successful new business receive high status | 91.2 | 78.0 | 71.4 |
| Lots of media coverage for new businesses | 63.0 | 70.7 | 57.8 |

Source: GEM, Adult Population Survey, Romania, 2007-2009

The figure below illustrates the evolution of the individual perceptions of nascent entrepreneurs in the 2007-2009 time periods. We can observe that the proportion of those who consider that a successful new business means high status, of those who think that all inhabitants would prefer a uniform standard living, of those who think that they possess the required skills for starting a new business, of those who see good opportunities for starting a business in the next six months and of those who know a person who started a business in the past two years decreased from 2007 to 2009. The fear of failure rate is significantly higher in 2009 than in 2007 and 2008, as it can be seen in Appendix 29.

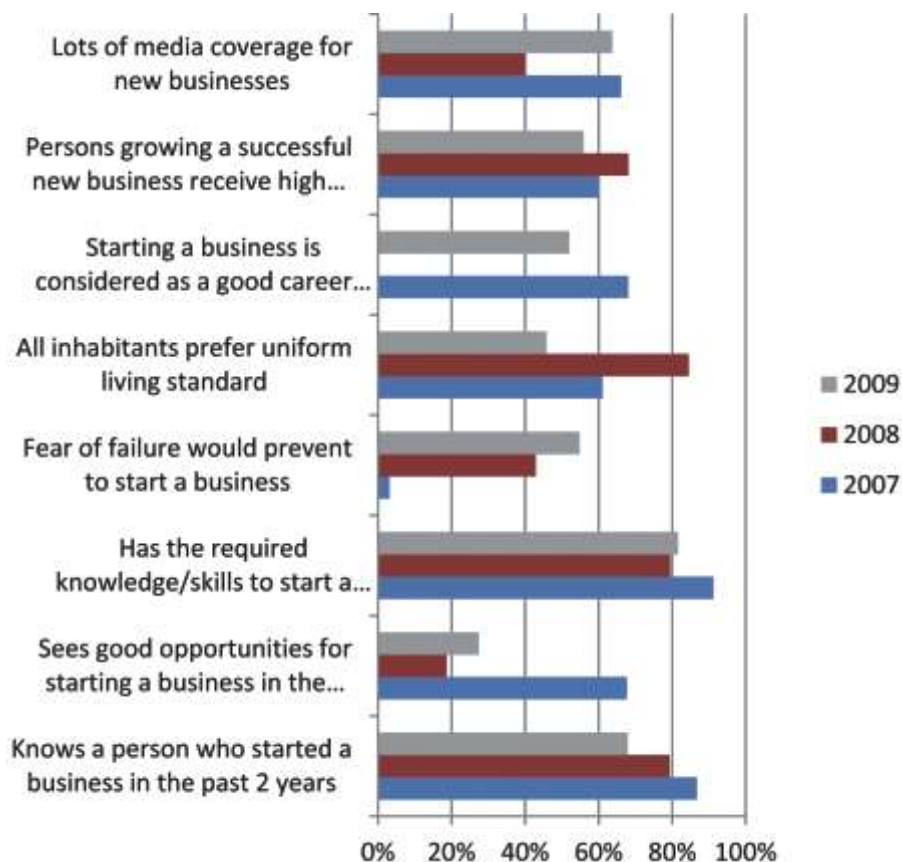
Figure 3: Individual perceptions of nascent entrepreneurs regarding entrepreneurial activity, 2007-2009 (%)



Source: GEM, Adult Population Survey, Romania, 2007-2009

The evolution of individual perceptions in case of established entrepreneurs is presented in Figure 4. The share of those who consider that fear of failure would prevent them from starting a new business is significantly higher in 2008 and in 2009 than in 2007. The percentage of those who see good opportunities for starting a new business in the next six months in the area where they live is significantly lower in 2009 and 2008 than in 2007²⁷.

Figure 4: Individual perceptions of established entrepreneurs regarding entrepreneurial activity, 2007-2009 (%)



Source: GEM, Adult Population Survey, Romania, 2007-2009

8. Social entrepreneurship

There are no generally accepted definitions in the literature for social entrepreneurship. GEM therefore uses a broad definition of social entrepreneurship as concerning individuals or organizations engaged in entrepreneurial activities with a social goal. In 2009 49 national teams collected additional data on a series of questions that were designed to explore social entrepreneurial activity. The social entrepreneurial activity levels cover any and all activity with a social purpose including social or community work, for profit or non-profit, and incorporated or non-incorporated (Bosma & Levie, 2010, p. 44).

Table 48: Social entrepreneurial activity (SEA) by firm entrepreneurial process phase and gender, 2009 (%)

| | Nascent social entrepreneurial activity | Social entrepreneurial activity in new organisation | Social entrepreneurial activity in established organisation | SEA: Social entrepreneurial activity in early-stage organisation | Male SEA | Female SEA |
|------------------------------------|---|---|---|--|------------|------------|
| Factor-driven economies | | | | | | |
| Algeria | 0.8 | 0.3 | 0.0 | 1.1 | 0.5 | 0.5 |
| Guatemala | 0.1 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |
| Jamaica | 1.2 | 2.3 | 0.6 | 3.4 | 1.8 | 1.6 |
| Lebanon | 0.4 | 0.4 | 0.4 | 0.8 | 0.3 | 0.5 |
| Morocco | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 | 0.0 |
| Saudi Arabia | 0.1 | 0.1 | 0.0 | 0.2 | 0.2 | 0.0 |
| Syria | 0.7 | 0.2 | 0.0 | 0.9 | 0.6 | 0.3 |
| Uganda | 0.7 | 1.6 | 0.8 | 2.2 | 1.2 | 1.1 |
| Venezuela | 3.4 | 0.1 | 0.0 | 3.6 | 2.1 | 1.5 |
| West Bank & Gaza Strip | 0.2 | 0.2 | 0.1 | 0.4 | 0.3 | 0.0 |
| Average (unweighted) | 0.8 | 0.5 | 0.2 | 1.3 | 0.7 | 0.6 |
| Efficiency-driven economies | | | | | | |
| Argentina | 2.2 | 1.9 | 3.0 | 4.1 | 2.0 | 2.1 |
| Bosnia and Herzegovina | 0.6 | 0.2 | 0.0 | 0.8 | 0.7 | 0.1 |
| Brazil | 0.2 | 0.2 | 0.0 | 0.4 | 0.4 | 0.0 |
| Chile | 1.7 | 0.8 | 0.2 | 2.4 | 1.4 | 1.1 |
| China | 1.4 | 1.2 | 0.3 | 2.6 | 1.3 | 1.3 |
| Colombia | 2.7 | 0.7 | 0.1 | 3.4 | 2.1 | 1.3 |
| Croatia | 1.3 | 1.3 | 1.1 | 2.6 | 1.7 | 0.9 |
| Dominican Republic | 0.8 | 1.4 | 0.8 | 2.2 | 1.6 | 0.5 |
| Ecuador | 0.4 | 0.1 | 0.0 | 0.5 | 0.2 | 0.2 |
| Hungary | 2.0 | 0.6 | 0.1 | 2.7 | 1.5 | 1.2 |
| Iran | 1.0 | 0.3 | 0.2 | 1.4 | 1.0 | 0.4 |
| Jordan | 0.3 | 0.3 | 0.1 | 0.6 | 0.4 | 0.2 |
| Latvia | 1.4 | 0.5 | 0.7 | 1.9 | 0.9 | 1.0 |
| Malaysia | 0.2 | 0.0 | 0.0 | 0.2 | 0.1 | 0.1 |
| Panama | 0.9 | 0.3 | 0.1 | 1.2 | 0.8 | 0.3 |
| Peru | 3.4 | 0.1 | 0.1 | 3.5 | 1.9 | 1.6 |
| Romania | 1.3 | 0.3 | 0.1 | 1.6 | 0.9 | 0.6 |
| Russia | 0.4 | 0.2 | 0.1 | 0.6 | 0.2 | 0.4 |
| Serbia | 0.4 | 0.7 | 0.5 | 1.1 | 0.7 | 0.4 |
| South Africa | 1.2 | 0.6 | 0.1 | 1.8 | 1.3 | 0.5 |
| Uruguay | 1.9 | 0.7 | 0.3 | 2.6 | 1.8 | 0.8 |
| Average (unweighted) | 1.2 | 0.6 | 0.4 | 1.8 | 1.1 | 0.7 |

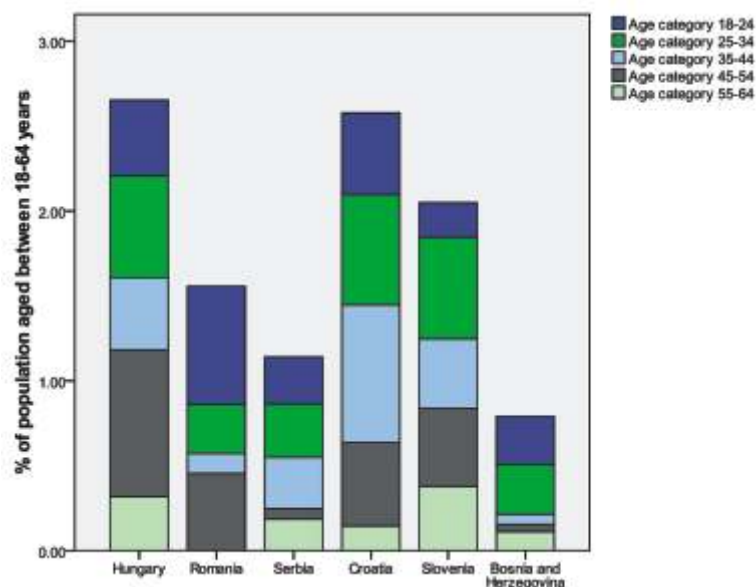
Table 48: Social entrepreneurial activity (SEA) by firm entrepreneurial process phase and gender, 2009 (%) (cont.)

| Innovation-driven economies | | | | | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| Belgium | 1.0 | 0.7 | 0.9 | 1.7 | 1.2 | 0.5 |
| Finland | 1.2 | 1.4 | 1.9 | 2.6 | 1.4 | 1.2 |
| France | 1.6 | 0.6 | 0.4 | 2.2 | 1.5 | 0.7 |
| Germany | 0.5 | 0.2 | 0.4 | 0.7 | 0.5 | 0.2 |
| Greece | 1.3 | 0.6 | 0.8 | 1.9 | 1.3 | 0.6 |
| Hong Kong | 0.2 | 0.2 | 0.3 | 0.5 | 0.3 | 0.2 |
| Iceland | 2.3 | 1.6 | 1.5 | 3.9 | 1.8 | 2.1 |
| Israel | 0.9 | 0.9 | 1.4 | 1.8 | 1.0 | 0.9 |
| Italy | 0.8 | 0.4 | 0.5 | 1.2 | 0.7 | 0.5 |
| Republic of Korea | 0.4 | 0.4 | 0.1 | 0.7 | 0.6 | 0.2 |
| Netherlands | 0.5 | 0.4 | 0.4 | 0.9 | 0.6 | 0.3 |
| Norway | 0.6 | 0.3 | 0.0 | 0.9 | 0.7 | 0.2 |
| Slovenia | 1.3 | 0.7 | 1.1 | 2.0 | 1.3 | 0.7 |
| Spain | 0.4 | 0.2 | 0.2 | 0.5 | 0.3 | 0.2 |
| Switzerland | 2.4 | 0.3 | 0.1 | 2.7 | 1.8 | 0.9 |
| United | 0.8 | 1.3 | 1.8 | 2.1 | 1.3 | 0.8 |
| United Arab Emirates | 2.4 | 2.0 | 0.4 | 4.3 | 3.9 | 0.4 |
| United States | 2.9 | 1.1 | 0.5 | 3.9 | 2.1 | 1.9 |
| Average (unweighted) | 1.2 | 0.7 | 0.7 | 1.9 | 1.2 | 0.7 |

Source: Bosma & Levie, 2010, p. 46

In what follows we analyse the Romanian social entrepreneurship in comparison with Hungary, Serbia, Croatia, Slovenia and Bosnia and Herzegovina. Among these countries the early-stage social entrepreneurial activity is the highest in Hungary, followed by Croatia and Slovenia. Romania is the fourth country among these countries as it can be seen in Figure 5. This figure also shows the early-stage social entrepreneurship structure by age categories. It can be revealed that early-stage social entrepreneurship in the 18-24 age category is the highest in Romania among these countries and lowest in the 25-34 age category and one of the lowest in 35-44 age category. While within the 45-54 age category one of the highest rates is reached by Romania, the 55-64 age category is absent. In Romania the most important age category in case of early-stage social entrepreneurship is the 18-24 age category, followed by the 45-54 age category.

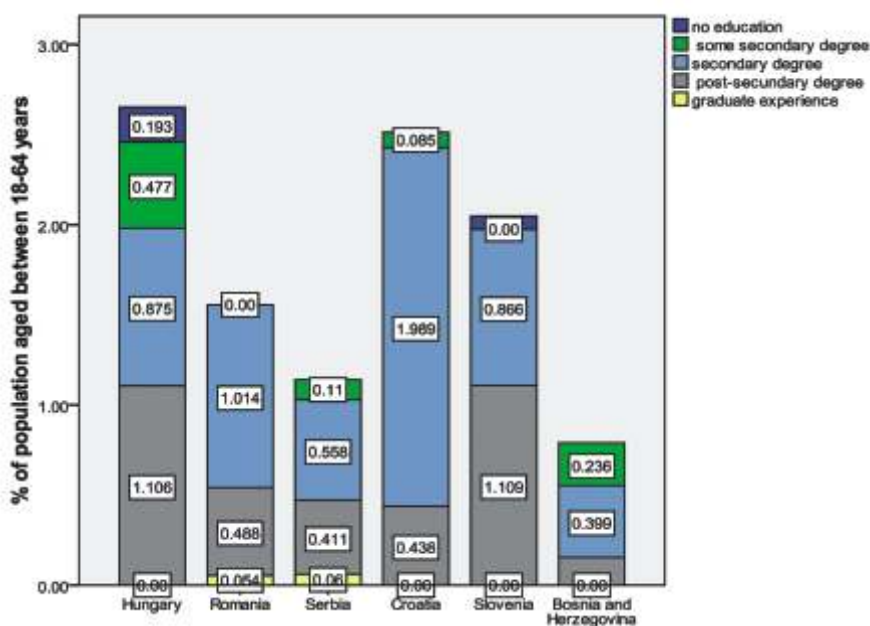
Figure 5: Early-stage social entrepreneurial activity in Central and Eastern European countries by age categories in 2009



Source: GEM, Adult Population Survey, Romania, 2009

In Romania, as well as in the above mentioned countries, the most frequent education levels which can be identified at the early-stage social entrepreneurs are the secondary degree and post secondary degree education level.

Figure 6: Early-stage social entrepreneurial activity in Central and Eastern European countries by the level of education in 2009



Source: GEM, Adult Population Survey, Romania, 2009

The share of those Romanian early-stage social entrepreneurs who know a person who started a business in the past two years, who see good opportunities for starting a business in the next six months and who think that they have the required skills to start a business is significantly higher than the share of non-social entrepreneurs, as it can be seen in Appendix 31.

Table 49: Individual perceptions of social and non-social early-stage entrepreneurs, 2009 (%)

| | No | Yes |
|--|------|------|
| Knows a person who started a business in the past 2 years | 35.2 | 66.8 |
| Sees good opportunities for starting a business in the next 6 months | 13.5 | 46.4 |
| Has the required knowledge/skills to start a business | 26.8 | 80.2 |
| Fear of failure would prevent to start a business | 50.3 | 56.6 |
| All inhabitants prefer uniform living standard | 49.3 | 47.7 |
| Starting a business is considered as a good career choice | 57.3 | 71.4 |
| Persons growing a successful new business receive high status | 67.0 | 79.0 |
| Lots of media coverage for new businesses | 47.8 | 29.7 |

Source: GEM, Adult Population Survey, Romania, 2009

The social enterprises are grouped (Bosma & Levie, 2010, p. 48) in four categories:

1. Traditional NGOs²⁸
2. Not-for-profit social entrepreneurship²⁹
3. Hybrid social entrepreneurship³⁰
4. For-profit social entrepreneurship³¹.

In addition a fifth category can also be mentioned: social activity with primarily for-profit motives which captures the overlap between early-stage social entrepreneurial activity rate and early-stage entrepreneurial activity rate. In Romania a high share of for-profit social enterprises and social activity for for-profit motives (24%, respectively 44%) can be identified in early-stage social entrepreneurial initiatives in comparison with the other mentioned countries.

Table 50: Prevalence of SEA types by country (%)

| Countries | Traditional NGO | Not—for- profit social enterprise | Hybrid social enterprise | For-profit social enterprise | Social activity for for-profit motives | Other |
|---------------------------|--------------------|--|--------------------------------|------------------------------------|---|-----------|
| Bosnia and Herzegovina | 0 | 35 | 32 | 15 | 12 | 6 |
| Croatia | 6 | 29 | 20 | 17 | 23 | 5 |
| Hungary | 3 | 19 | 34 | 13 | 22 | 9 |
| Romania | 6 | 0 | 16 | 24 | 44 | 10 |
| Serbia | 21 | 64 | 7 | 5 | 0 | 2 |
| Slovenia | 12 | 28 | 34 | 14 | 12 | 1 |

Source: Bosma & Levie, 2010, p. 50

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9. Crisis impact

In the time of the global financial and economic crisis, entrepreneurs and SMEs worldwide had to face a decline in business opportunities and in the demand for their goods/services, and a more difficult access to financing. The overall impact of the crisis on entrepreneurial activities differed between countries depending on their level of economic development. The crisis has exerted a significant negative impact on entrepreneurs in developed countries.

The Adult Population Survey data (2009) from Global Entrepreneurship Monitor indicates that in case of many developing countries the “necessity-driven” entrepreneurial activity increased. This is due to the fact that those who lost their jobs, as well as those who sought for a job for the first time, took up self-employment or contributed to family businesses.

A worrying indicator for Romania is the pessimism about prospects, which can be linked to the economic crisis, as revealed by the results of the survey on perceived opportunities to start a business in 2009. The share of those who see good opportunities are among the lowest in the world. It is especially striking that, irrespectively of motivation, the early-stage entrepreneurs saw that starting a business, as well as growing a business is more difficult in comparison with last year. The majority of Romanian entrepreneurs see fewer opportunities for their businesses than one year ago.

Table 51: The impact of the global economic crisis on entrepreneurial activity according to the early-stage entrepreneurs by motivation, 2009 (%)

| | | Motives for early-stage entrepreneurs | | |
|--|---------------------|---------------------------------------|------------------|--------------|
| | | Opportunity motive | Necessity motive | Other motive |
| Starting a business in comparison to one year ago | More difficult | 83.6 | 100.0 | 100.0 |
| | About the same | 11.2 | 0.0 | 0.0 |
| | Less difficult | 5.1 | 0.0 | 0.0 |
| Growing a business in comparison to one year ago | More difficult | 90.0 | 96.8 | 100.0 |
| | About the same | 0.0 | 3.2 | 0.0 |
| | Less difficult | 10.0 | 0.0 | 0.0 |
| Impact of the global economic slowdown | More opportunities | 17.1 | 9.2 | 0.0 |
| | About the same | 11.7 | 0.0 | 0.0 |
| | Fewer opportunities | 71.2 | 90.8 | 100.0 |

Source: GEM, Adult Population Survey, Romania, 2009

The majority of Romanian established entrepreneurs are also pessimistic in terms of starting a business, growing a business and in terms of perceived business opportunities compared to one year ago, as it can be seen in Table 52.

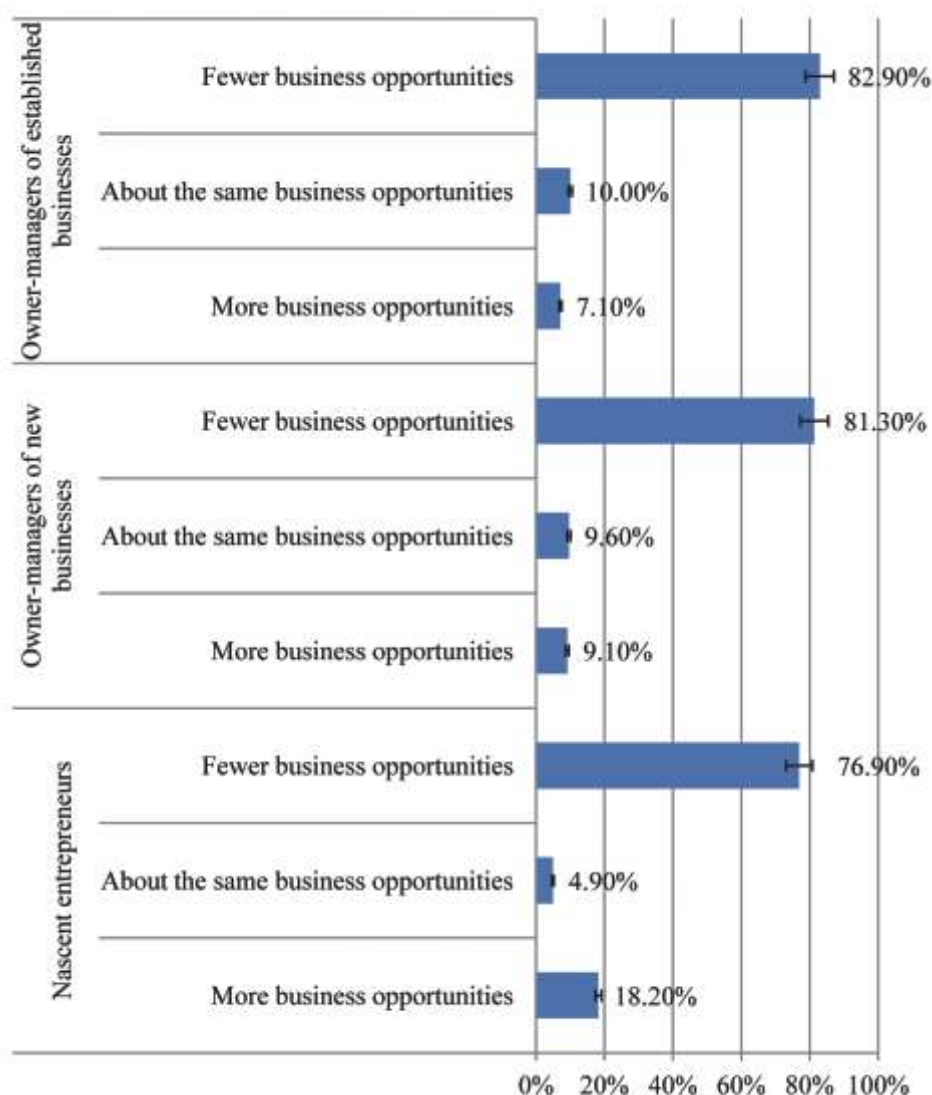
Table 52: The impact of the global economic crisis on entrepreneurial activity according to the established business owner-managers by motivation, 2009 (%)

| | | Motives for established business owners-managers | | |
|--|---------------------|--|---------------------------|------------------|
| | | Purely opportunity motive | Partly opportunity motive | Necessity motive |
| Starting a business in comparison to one year ago | More difficult | 100.0 | 85.4 | 95.6 |
| | About the same | 0.0 | 9.8 | 4.4 |
| | Less difficult | 0.0 | 4.8 | 0.0 |
| Growing a business in comparison to one year ago | More difficult | 95.1 | 100.0 | 90.5 |
| | About the same | 0.0 | 0.0 | 9.5 |
| | Less difficult | 4.9 | 0.0 | 0.0 |
| Impact of the global economic slowdown | More opportunities | 5.5 | 9.6 | 0.0 |
| | About the same | 0.0 | 5.3 | 24.4 |
| | Fewer opportunities | 94.5 | 85.1 | 75.6 |

Source: GEM, Adult Population Survey, Romania, 2009

As it can be seen at Figure 7, nascent entrepreneurs are slightly more optimistic regarding the opportunity perceptions than the owner-managers of new and established businesses, whose perceptions of opportunities are similar.

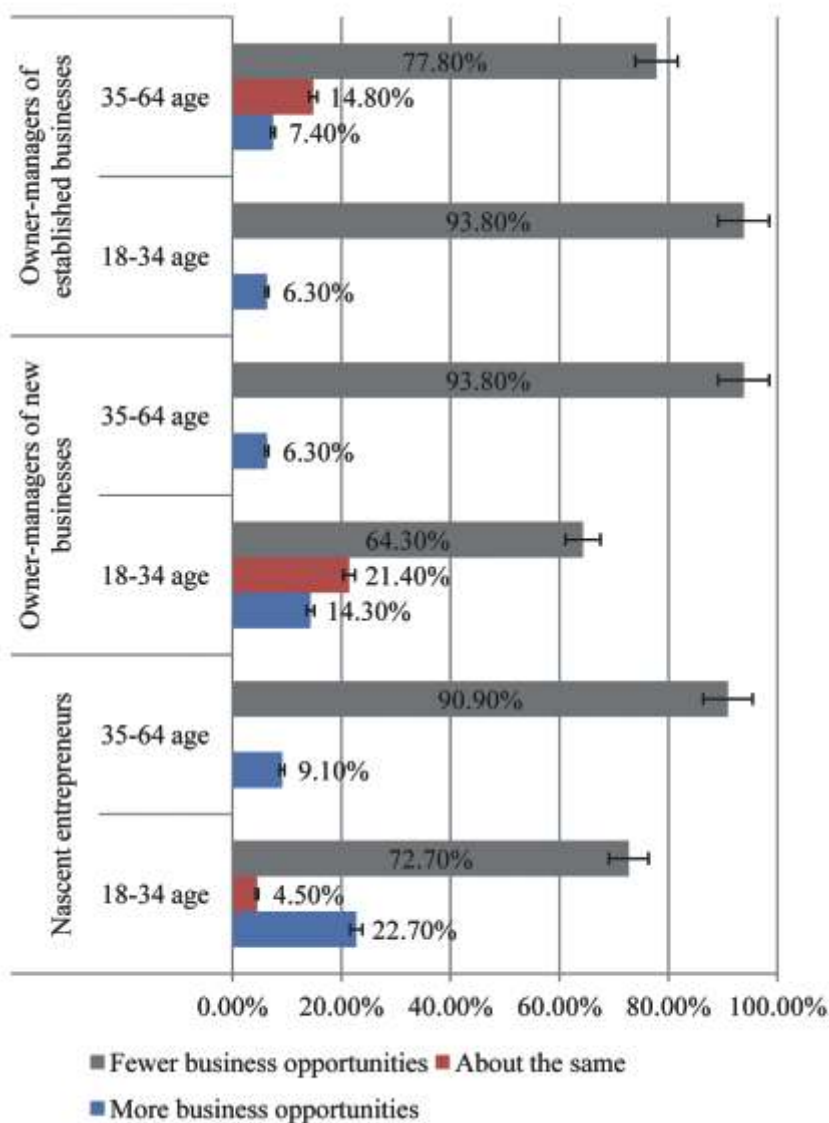
Figure 7: Impact of the global-economic crisis on entrepreneur's perceptions of opportunities of their business, 2009
(Showing 95% confidence intervals)



Source: GEM, Adult Population Survey, Romania, 2009

Analysing the perceptions of opportunity by age categories and entrepreneurial activity stages we can conclude that in case of nascent entrepreneurs and new business owner-managers the pessimistic view is peculiar to the 35-64 age category, while in case of established business owner-managers it characterizes mostly the younger, 18-34 age category.

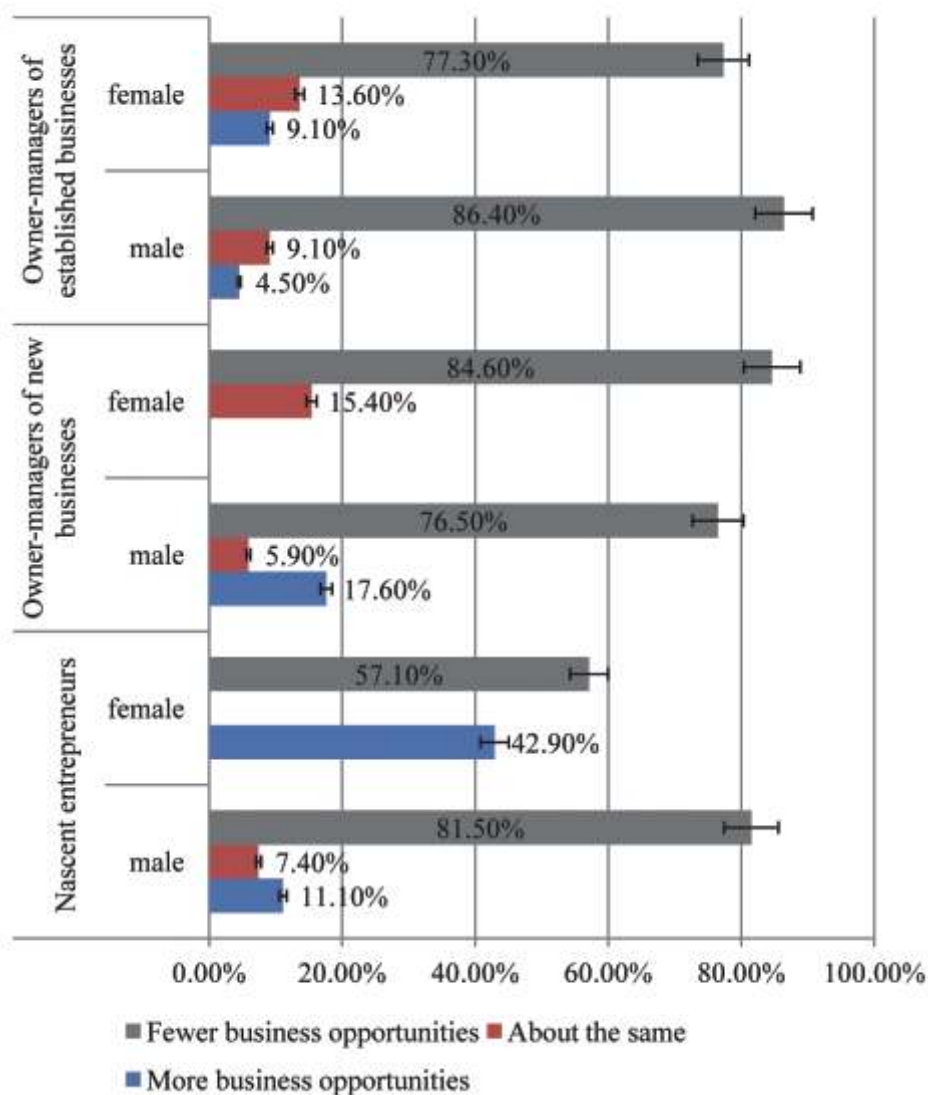
Figure 8: Impact of the global-economic crisis on entrepreneur's perceptions of opportunities of their business by entrepreneurial activity stages and age, 2009 (showing 95% confidence intervals)



Source: GEM, Adult Population Survey, Romania, 2009

The nascent female entrepreneurs seem to perceive more business opportunities in the economic-crisis, 42.9% thinks that there are more business opportunities than one year ago. The female owner-managers of new and established businesses mainly disagree with this opinion, in case of female owner-managers of new businesses the percentage is 0%, while in case of established businesses 9.1%. We also can observe that the more pessimistic male entrepreneurs are the owner-managers of established businesses.

Figure 9: Impact of the global-economic crisis on entrepreneur's perceptions of opportunities of their business by entrepreneurial activity stages and gender, 2009 (showing 95% confidence intervals)



Source: GEM, Adult Population Survey, Romania, 2009

Table 53 summarizes the individual perceptions of the pessimistic entrepreneurs by entrepreneurial activity stages. We found no significant differences between the individual perceptions of early-stage and established entrepreneurs. But for the pessimistic view of established entrepreneurs, we can observe that less than half of them affirm that fear of failure would prevent them from starting a new business.

Table 53: Individual perceptions of those early-stage and established entrepreneurs who sees fewer opportunities for their businesses, 2009 (%)

| | TEA | EB |
|--|------|------|
| Knows a person who started a business in the past 2 years | 88.5 | 65.7 |
| Sees good opportunities for starting a business in the next 6 months | 43.4 | 30.6 |
| Has the required knowledge/skills to start a business | 83.3 | 86.1 |
| Fear of failure would prevent to start a business | 65.2 | 49.1 |
| All inhabitants prefer uniform living standard | 52.9 | 45.4 |
| Starting a business is considered as a good career choice | 72.7 | 50.0 |
| Persons growing a successful new business receive high status | 76.5 | 70.2 |
| Lots of media coverage for new businesses | 40.6 | 47.4 |

Source: GEM, Adult Population Survey, Romania, 2009

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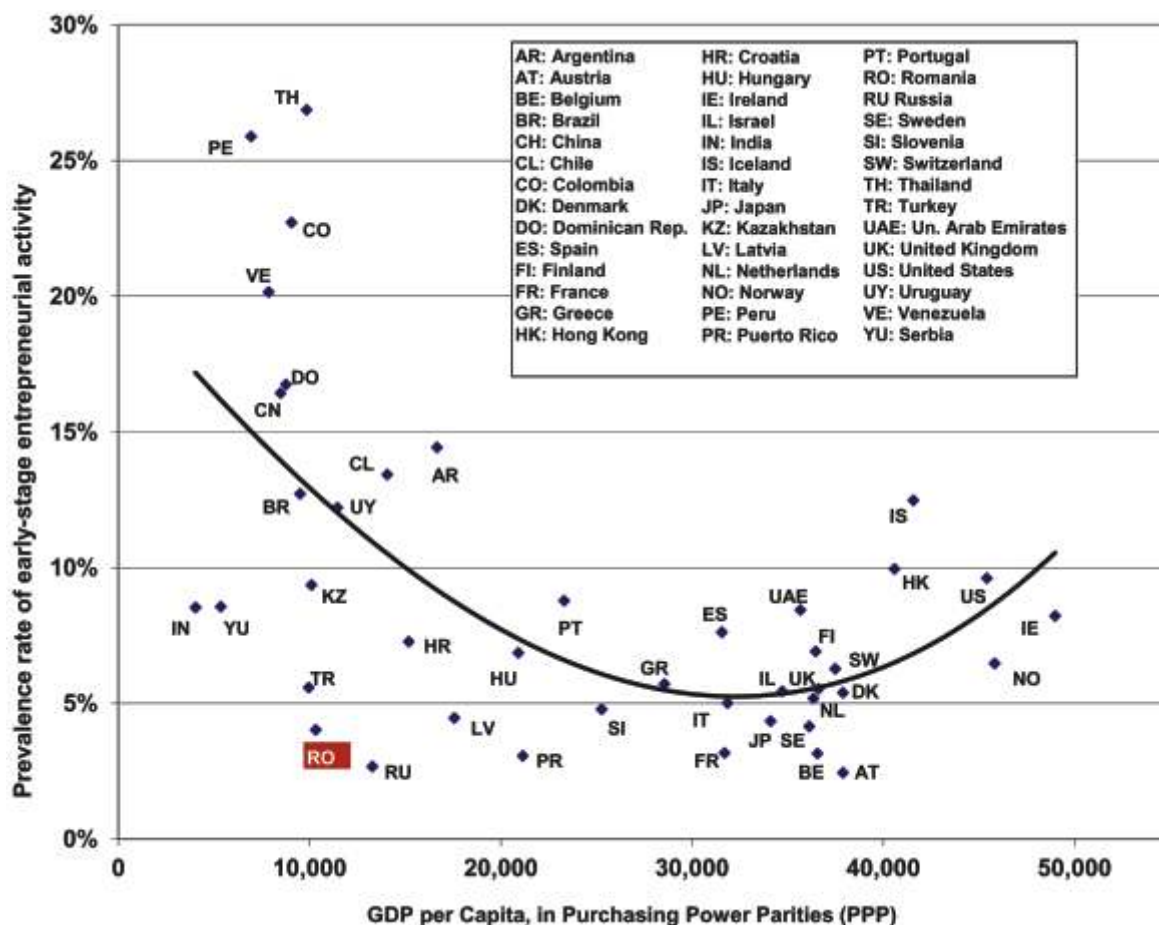
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Appendices

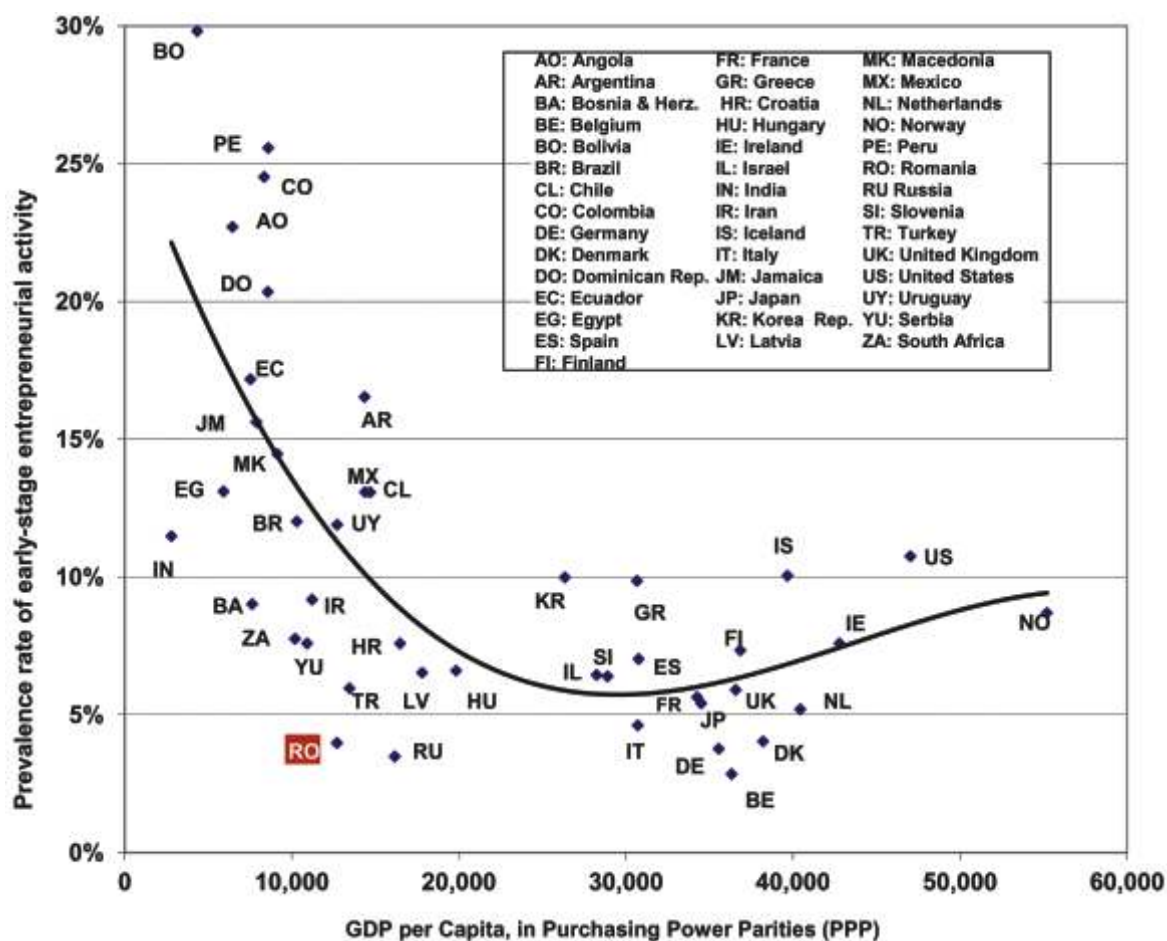
Appendix 1: Early-stage entrepreneurial activity rate and GDP per capita, 2007-2009

Early-stage entrepreneurial activity rates and per capita GDP, 2007



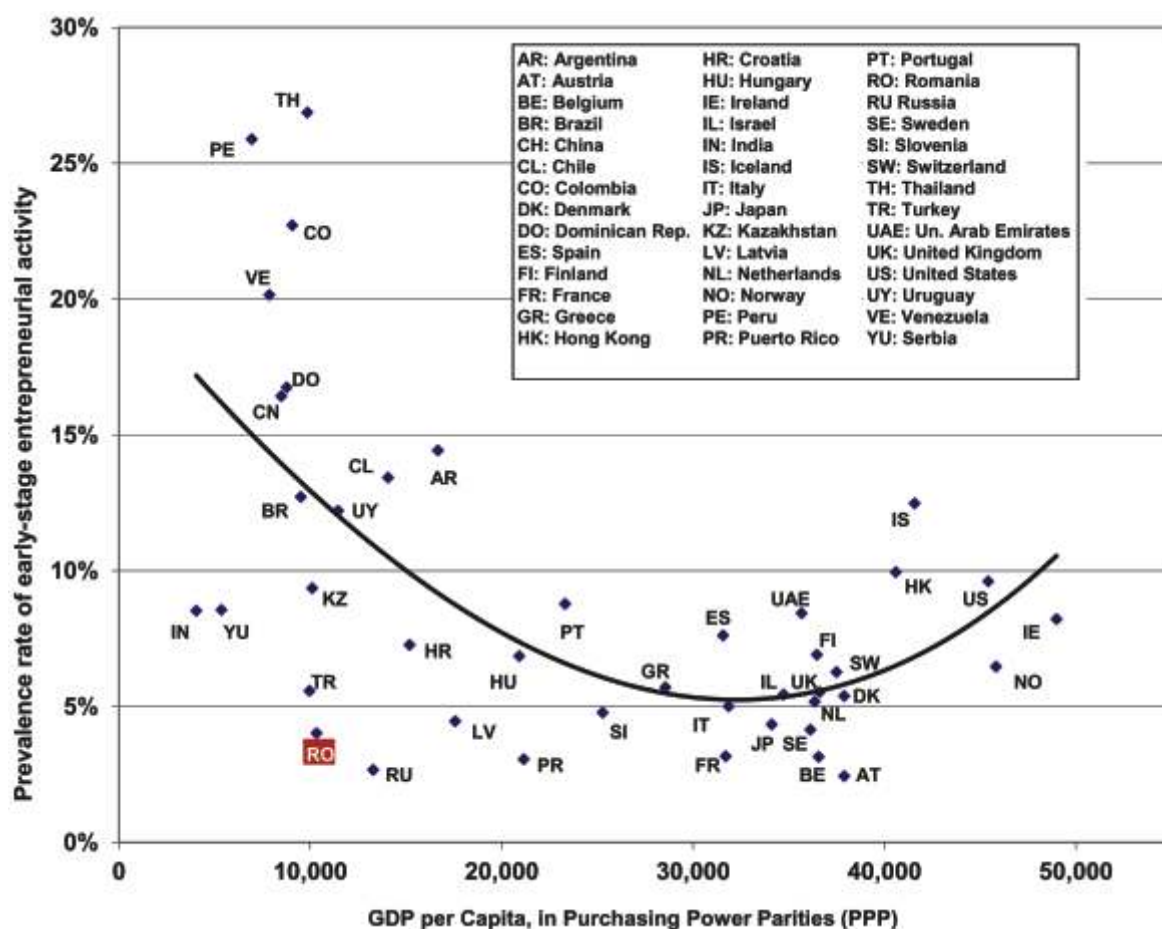
Source: Bosma et al., 2008, p. 12

Early-stage entrepreneurial activity rates and per capita GDP, 2008



Source: Bosma et al., 2009, p. 22

Early-stage entrepreneurial activity rates and per capita GDP, 2009



Source: Bosma & Levie, 2010, p. 23

Appendix 2: Entrepreneurial activity in the 54 GEM countries in 2009, by phase of economic development

| | Nascent entrepreneurship rate | New business ownership rate | Early-stage entrepreneurial activity (TEA) | Established business ownership rate | Discontinuation of businesses | Necessity-driven (% of TEA) | Improvement-driven opportunity (% of TEA) |
|------------------------------------|-------------------------------|-----------------------------|--|-------------------------------------|-------------------------------|-----------------------------|---|
| Factor-driven economies | | | | | | | |
| Algeria | 11.3 | 5.6 | 16.7 | 4.7 | 7.9 | 18 | 51 |
| Guatemala | 17.1 | 12.2 | 26.8 | 3.3 | 6.0 | 23 | 30 |
| Jamaica | 13.0 | 10.6 | 22.7 | 16.3 | 10.7 | 33 | 45 |
| Lebanon | 6.7 | 8.8 | 15.0 | 16.0 | 4.6 | 18 | 60 |
| Morocco | 6.9 | 9.4 | 15.8 | 15.2 | 3.7 | 25 | 57 |
| Saudi Arabia | 2.9 | 1.9 | 4.7 | 4.1 | 2.9 | 12 | 63 |
| Syria | 3.4 | 5.1 | 8.5 | 6.7 | 7.4 | 37 | 43 |
| Tonga | 6.5 | 11.1 | 17.4 | 2.3 | 3.6 | 33 | 39 |
| Uganda | 12.4 | 22.7 | 33.6 | 21.9 | 24.2 | 45 | 45 |
| Venezuela | 13.3 | 5.4 | 18.7 | 6.5 | 3.0 | 32 | 42 |
| West Bank & Gaza Strip | 3.0 | 5.9 | 8.6 | 6.9 | 7.1 | 37 | 33 |
| Yemen | 22.8 | 1.2 | 24.0 | 2.9 | 2.0 | 35 | 16 |
| Average (unweighted) | 9.9 | 8.3 | 17.7 | 8.9 | 6.9 | 29.0 | 43.6 |
| Efficiency-driven economies | | | | | | | |
| Argentina | 6.1 | 9.3 | 14.7 | 13.5 | 6.2 | 47 | 37 |
| Bosnia and Herzegovina | 3.1 | 1.3 | 4.4 | 3.9 | 3.1 | 39 | 20 |
| Brazil | 5.8 | 9.8 | 15.3 | 11.8 | 4.0 | 39 | 48 |
| Chile | 9.6 | 5.6 | 14.9 | 6.7 | 6.4 | 25 | 42 |
| China | 7.4 | 11.8 | 18.8 | 17.2 | 6.6 | 48 | 29 |
| Colombia | 15.0 | 8.0 | 22.4 | 12.6 | 7.1 | 34 | 45 |
| Croatia | 3.5 | 2.2 | 5.6 | 4.8 | 3.9 | 37 | 39 |
| Dominican Republic | 8.8 | 9.2 | 17.5 | 11.4 | 12.9 | 34 | 26 |
| Ecuador | 6.3 | 9.7 | 15.8 | 16.1 | 6.0 | 32 | 43 |
| Hungary | 5.4 | 3.7 | 9.1 | 6.7 | 3.2 | 24 | 45 |
| Iran | 8.2 | 4.1 | 12.0 | 6.5 | 6.0 | 35 | 35 |
| Jordan | 5.9 | 4.9 | 10.2 | 5.3 | 6.8 | 28 | 35 |
| Latvia | 5.3 | 5.4 | 10.5 | 9.0 | 3.3 | 32 | 54 |
| Malaysia | 1.7 | 2.7 | 4.4 | 4.3 | 2.7 | 25 | 44 |
| Panama | 6.2 | 3.5 | 9.6 | 4.2 | 1.4 | 24 | 59 |
| Peru | 16.1 | 5.1 | 20.9 | 7.5 | 7.1 | 28 | 42 |
| Romania | 2.8 | 2.3 | 5.0 | 3.4 | 3.6 | 34 | 31 |
| Russia | 1.8 | 2.3 | 3.9 | 2.3 | 2.2 | 29 | 37 |
| Serbia | 2.2 | 2.8 | 4.9 | 10.1 | 1.9 | 41 | 46 |
| South Africa | 3.6 | 2.5 | 5.9 | 1.4 | 4.2 | 33 | 38 |
| Tunisia | 2.2 | 7.2 | 9.4 | 10.2 | 4.8 | 20 | 57 |
| Uruguay | 8.1 | 4.2 | 12.2 | 5.9 | 4.9 | 22 | 57 |
| Average (unweighted) | 6.1 | 5.3 | 11.2 | 7.9 | 4.9 | 32 | 41 |
| Innovation-driven economies | | | | | | | |
| Belgium | 2.0 | 1.6 | 3.5 | 2.5 | 1.3 | 9 | 55 |
| Denmark | 1.6 | 2.0 | 3.6 | 4.7 | 1.1 | 7 | 56 |
| Finland | 2.9 | 2.3 | 5.2 | 8.5 | 2.1 | 19 | 62 |
| France | 3.1 | 1.4 | 4.3 | 3.2 | 1.9 | 14 | 67 |
| Germany | 2.2 | 2.1 | 4.1 | 5.1 | 1.8 | 31 | 43 |
| Greece | 4.5 | 4.7 | 8.8 | 15.1 | 2.6 | 26 | 47 |
| Hong Kong | 1.6 | 2.2 | 3.6 | 2.9 | 1.5 | 19 | 49 |
| Iceland | 7.6 | 4.2 | 11.4 | 8.9 | 4.0 | 10 | 58 |
| Israel | 3.4 | 2.7 | 6.1 | 4.3 | 4.0 | 25 | 48 |
| Italy | 1.8 | 1.9 | 3.7 | 5.8 | 1.1 | 14 | 57 |
| Japan | 1.9 | 1.3 | 3.3 | 7.8 | 1.4 | 30 | 62 |
| Korea | 2.7 | 4.4 | 7.0 | 11.8 | 3.9 | 45 | 37 |
| Netherlands | 3.1 | 4.1 | 7.2 | 8.1 | 2.5 | 10 | 57 |
| Norway | 5.0 | 3.9 | 8.5 | 8.3 | 3.7 | 9 | 74 |
| Slovenia | 3.2 | 2.1 | 5.4 | 5.6 | 1.3 | 10 | 69 |
| Spain | 2.3 | 2.8 | 5.1 | 6.4 | 2.0 | 16 | 41 |
| Switzerland | 4.3 | 3.5 | 7.7 | 8.4 | 2.1 | 7 | 67 |
| UK | 2.7 | 3.2 | 5.7 | 6.1 | 2.1 | 16 | 43 |
| United Arab Emirates | 6.5 | 7.4 | 13.3 | 5.7 | 6.5 | 9 | 79 |
| United States | 4.9 | 3.2 | 8.0 | 5.9 | 3.4 | 23 | 55 |
| Average (unweighted) | 3.4 | 3.1 | 6.3 | 6.8 | 2.5 | 17 | 56 |

Appendix 3: Comparison of column proportions^{b,c}: Population by age categories, household income categories and education level involved in potential entrepreneurial activity in 2007-2009 period

| | | 2007 | 2008 | 2009 |
|------------------------|---------------------|------|------|------|
| | | (A) | (B) | (C) |
| Age categories | 18-24 years | | | |
| | 25-34 years | | | |
| | 35-44 years | | | |
| | 45-54 years | | | |
| | 55-64 years | | | |
| Household income | Lowest 33% | | A | A |
| | Middle 33% | C | | |
| | Upper 33% | | | |
| Educational attainment | Some secondary | | A C | |
| | Secondary degree | | A | A B |
| | Post secondary | B C | | B |
| | Graduate experience | B C | C | |

Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.

a. This category is not used in comparisons because its column proportion is equal to zero or one.

b. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.

c. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.

Source: GEM, Adult Population Survey, Romania, 2007-2009

Appendix 4: Comparisons of Column proportions^{a,b}: Motivations of early-stage entrepreneurs, 2007-2009

| | 2007 | 2008 | 2009 |
|--------------------|------|------|------|
| | (A) | (B) | (C) |
| Opportunity motive | | | |
| Necessity motive | | A | A |
| Other motive | | | |

Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.

a. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.

b. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.

Source: GEM, Adult Population Survey, Romania, 2007-2009

Appendix 5: Comparisons of column proportions^{b,c} regarding innovation and competitiveness in case of early-stage entrepreneurs

| | | How many (potential) customers consider product new/unfamiliar? | | | | | | | | |
|---|------|---|------|--------------|------|------|------|------|--------------|--------------|
| | | 2007 | | | 2008 | | | 2009 | | |
| | | All | Some | None | All | Some | None | All | Some | None |
| | | (A) | (B) | (C) | (A) | (B) | (C) | (A) | (B) | (C) |
| How many businesses offer the same products? | Many | ^a | | B | | | B | | | B |
| | Few | ^a | C | | | C | | | C | |
| | None | ^a | | ^a | | | | | ^a | ^a |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>b. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>c. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 6: Comparisons of column proportions^{b,c} regarding TEA and EB by current number of jobs, 2007-2009

| | | 2007 | 2008 | 2009 |
|---|-----------|------|------|--------------|
| | | (A) | (B) | (C) |
| Current number of jobs, 4 categories - TEA | No jobs | C | | |
| | 1-5 jobs | | | A B |
| | 6-19 jobs | | | |
| | 20+ jobs | | | ^a |
| Current number of jobs, 4 categories - EB | No jobs | | C | |
| | 1-5 jobs | | | A B |
| | 6-19 jobs | | | |
| | 20+ jobs | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>b. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>c. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 7: Comparisons of column proportions^{a,b} TEA and EB by expected number of jobs, 2007-2009

| | | 2007 | 2008 | 2009 |
|------------|-----------|------|------|------|
| | | (A) | (B) | (C) |
| TEA | No jobs | | | |
| | 1-5 jobs | | | A |
| | 6-19 jobs | | | |
| | 20+ jobs | C | | |
| EB | No jobs | | | |
| | 1-5 jobs | | | |
| | 6-19 jobs | | | |
| | 20+ jobs | | | |

Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.

a. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.

b. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 8: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity in different age categories, 2007-2009

| | 2007 | | | | | 2008 | | | | | 2009 | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 |
| | (A) | (B) | (C) | (D) | (E) | (A) | (B) | (C) | (D) | (E) | (A) | (B) | (C) | (D) | (E) |
| Knows a person who started a business in the past 2 years | D E | D E | E | | | E | E | E | E | | E | E | | | |
| Sees good opportunities for starting a business in the next 6 months | | | | | | | | | | | | | | | |
| Has the required knowledge/skills to start a business | E | E | | | | | E | | E | | E | E | E | E | |
| Fear of failure would prevent R to start a business | | | A | | | | | | | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | | | | | | | | | | |
| Starting a business is considered as a good career choice | | | | | | a,b | a,b | a,b | a,b | a,b | | | | | |
| Persons growing a successful new business receive high status | | | | | | | | | | | | | | | |
| Lots of media coverage for new businesses | | | | | | | | | | | | | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | | | | | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 9: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity in 18-24 age category, 2007-2009

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | | | |
| Has the required knowledge/skills to start a business | B | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | A | |
| Lots of media coverage for new businesses | | C | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. | | | |
| a. This category is not used in comparisons because the sum of case weights is less than two. | | | |
| b. This category is not used in comparisons because its column proportion is equal to zero or one. | | | |
| c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. | | | |
| d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 10: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity in 25-34 age category, 2007-2009

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | A | A B |
| All inhabitants prefer uniform living standard | | A | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. | | | |
| a. This category is not used in comparisons because the sum of case weights is less than two. | | | |
| b. This category is not used in comparisons because its column proportion is equal to zero or one. | | | |
| c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. | | | |
| d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 11: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity in 35-44 age category, 2007-2009

| | 2007 | 2008 | 2009 |
|---|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | C | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. a. This category is not used in comparisons because the sum of case weights is less than two. b. This category is not used in comparisons because its column proportion is equal to zero or one. c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 12: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity in 45-54 age category, 2007-2009

| | 2007 | 2008 | 2009 |
|---|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | C | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | A | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. a. This category is not used in comparisons because the sum of case weights is less than two. b. This category is not used in comparisons because its column proportion is equal to zero or one. c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 13: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity in 55-64 age category, 2007-2009

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | C | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

Appendix 14: Comparisons of column proportions^{c,d}: individual perceptions regarding entrepreneurial activity by household income categories, 2007-2009

| | 2007 | | | 2008 | | | 2009 | | |
|--|------------|------------|-----------|------------|------------|-----------|------------|------------|-----------|
| | lowest 33% | middle 33% | upper 33% | lowest 33% | middle 33% | upper 33% | lowest 33% | middle 33% | upper 33% |
| | (A) | (B) | (C) | (A) | (B) | (C) | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | A | A B | | | A B | | A | A B |
| Sees good opportunities for starting a business in the next 6 months | | A | A | | | | | | |
| Has the required knowledge/skills to start a business | | A | A B | | | A B | | | A B |
| Fear of failure would prevent to start a business | | C | | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | | | | |
| Starting a business is considered as a good career choice | | A | A B | a,b | a,b | a,b | | A | |
| Persons growing a successful new business receive high status | | A | A | | | | | | |
| Lots of media coverage for new businesses | | A | A | | | A | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 15: Comparisons of column proportions^{c,d}:
individual perceptions of the lower household income category
Regarding entrepreneurial activity, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | | A C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | A | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | A C | |
| Lots of media coverage for new businesses | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 16: Comparisons of column proportions^{c,d}:
Individual perceptions of the middle household income category
regarding entrepreneurial activity, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | C | | |
| Has the required knowledge/skills to start a business | B | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 17: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity by
Educational level, 2007-2009**

| | 2007 | | | | 2008 | | | | 2009 | | | |
|--|------------------------|--------------------------|------------------------|-------------|------------------------|--------------------------|------------------------|-------------|------------------------|--------------------------|------------------------|-------------|
| | some second- ary | second- ary degree | post second- ary | grad exp | some second- ary | second- ary degree | post second- ary | grad exp | some second- ary | second- ary degree | post second- ary | grad exp |
| | (A) | (B) | (C) | (D) | (A) | (B) | (C) | (D) | (A) | (B) | (C) | (D) |
| Knows a person who started a business in the past 2 years | | A | A | A B C | | A | A | A | | A | A | A B |
| Sees good opportunities for starting a business in the next 6 months | | | | A B C | | | | | | | | |
| Has the required knowledge/skills to start a business | | | A | A B C | | A | A | A | | A | A B | A |
| Fear of failure would prevent to start a business | | | D | | | | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | | | | | | | |
| Starting a business is considered as a good career choice | | | | | a,b | a,b | a,b | a,b | | | | |
| Persons growing a successful new business receive high status | | | | A C | | | | | | | | |
| Lots of media coverage for new businesses | | | | A C | | | | | | | | |

Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.

a. This category is not used in comparisons because the sum of case weights is less than two.

b. This category is not used in comparisons because its column proportion is equal to zero or one.

c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.

d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 18: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of those whose
educational level is some secondary, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | A C | |
| Sees good opportunities for starting a business in the next 6 months | | | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | A | A |
| Lots of media coverage for new businesses | | A C | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 19: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of those whose
educational level is secondary degree, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | C | |
| Sees good opportunities for starting a business in the next 6 months | | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | | A B |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 20: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of those whose
educational level is post secondary, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | C | | |
| Has the required knowledge/skills to start a business | | | A |
| Fear of failure would prevent to start a business | | | A B |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 21: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of those whose
educational level is grad exp, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | B | | |
| Sees good opportunities for starting a business in the next 6 months | | | |
| Has the required knowledge/skills to start a business | B | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 22: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of entrepreneurs
and non-entrepreneurs, 2007-2009**

| | 2007 | | 2008 | | 2009 | |
|--|------|-----|------|-----|------|-----|
| | NO | YES | NO | YES | NO | YES |
| | (A) | (B) | (A) | (B) | (A) | (B) |
| Knows a person who started a business in the past 2 years | | A | | A | | A |
| Sees good opportunities for starting a business in the next 6 months | | A | | A | | A |
| Has the required knowledge/skills to start a business | | A | | A | | A |
| Fear of failure would prevent to start a business | | | | | | |
| All inhabitants prefer uniform living standard | | | | A | | |
| Starting a business is considered as a good career choice | | A | a,b | a,b | | |
| Persons growing a successful new business receive high status | | A | | | | |
| Lots of media coverage for new businesses | | A | | A | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 23: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of male
entrepreneurs and non-entrepreneurs, 2007-2009**

| | 2007 | | 2008 | | 2009 | |
|--|------|-----|------|-----|------|-----|
| | NO | YES | NO | YES | NO | YES |
| | (A) | (B) | (A) | (B) | (A) | (B) |
| Knows a person who started a business in the past 2 years | | A | | A | | A |
| Sees good opportunities for starting a business in the next 6 months | | A | | A | | A |
| Has the required knowledge/skills to start a business | | A | | A | | A |
| Fear of failure would prevent to start a business | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | |
| Starting a business is considered as a good career choice | | A | a,b | a,b | | |
| Persons growing a successful new business receive high status | | A | | | | |
| Lots of media coverage for new businesses | | A | | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 24: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of female
entrepreneurs and non-entrepreneurs, 2007-2009**

| | 2007 | | 2008 | | 2009 | |
|--|------|-----|------|-----|------|-----|
| | NO | YES | NO | YES | NO | YES |
| | (A) | (B) | (A) | (B) | (A) | (B) |
| Knows a person who started a business in the past 2 years | | A | | A | | A |
| Sees good opportunities for starting a business in the next 6 months | | A | | A | | A |
| Has the required knowledge/skills to start a business | | A | | A | | A |
| Fear of failure would prevent to start a business | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | |
| Starting a business is considered as a good career choice | | | a,b | a,b | | |
| Persons growing a successful new business receive high status | | | | | | |
| Lots of media coverage for new businesses | | A | | A | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 25: Comparisons of column proportions^{c,d}:
Individual perceptions regarding entrepreneurial activity of entrepreneurs
and non-entrepreneurs, by gender, 2007-2009**

| | 2007 | | | | 2008 | | | | 2009 | | | |
|--|------|--------|------|--------|------|--------|------|--------|------|--------|------|--------|
| | NO | | YES | | NO | | YES | | NO | | YES | |
| | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| | (A) | (B) | (A) | (B) | (A) | (B) | (A) | (B) | (A) | (B) | (A) | (B) |
| Knows a person who started a business in the past 2 years | | | | | B | | B | | | | | |
| Sees good opportunities for starting a business in the next 6 months | | | | | | | | | | | | |
| Has the required knowledge/skills to start a business | | | | | B | | B | | | | B | |
| Fear of failure would prevent to start a business | | A | | A | | A | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | | | | | A | | |
| Starting a business is considered as a good career choice | | A | | | a,b | a,b | a,b | a,b | | | | |
| Persons growing a successful new business receive high status | | A | | | | | | | | | | |
| Lots of media coverage for new businesses | | A | | | | | | | | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>b. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 26: Comparisons of column proportions^{c,d}:
Individual perceptions of early-stage entrepreneurs regarding
entrepreneurial activity, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|----------------|----------------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | . ^a | | |
| Sees good opportunities for starting a business in the next 6 months | C | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | ^{a,b} | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | C | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. | | | |
| a. This category is not used in comparisons because its column proportion is equal to zero or one. | | | |
| b. This category is not used in comparisons because the sum of case weights is less than two. | | | |
| c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. | | | |
| d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 27: Comparisons of column proportions^{c,d}:
Individual perceptions of early-stage and non-early-stage entrepreneurs
regarding entrepreneurial activity, 2007-2009**

| | 2007 | | 2008 | | 2009 | |
|--|------|-----|------|-----|------|-----|
| | NO | YES | NO | YES | NO | YES |
| | (A) | (B) | (A) | (B) | (A) | (B) |
| Knows a person who started a business in the past 2 years | | a | | A | | A |
| Sees good opportunities for starting a business in the next 6 months | | A | | A | | A |
| Has the required knowledge/skills to start a business | | A | | A | | A |
| Fear of failure would prevent to start a business | | | | | | |
| All inhabitants prefer uniform living standard | | | | | | |
| Starting a business is considered as a good career choice | | | a,b | a,b | | |
| Persons growing a successful new business receive high status | | | | | | |
| Lots of media coverage for new businesses | | | | | | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>b. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 28: Comparisons of column proportions^{c,d}:
Individual perceptions of male early-stage entrepreneurs regarding
entrepreneurial activity, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | a | | |
| Sees good opportunities for starting a business in the next 6 months | C | C | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | | |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | a,b | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | C | |
| <p>Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion.</p> <p>a. This category is not used in comparisons because its column proportion is equal to zero or one.</p> <p>b. This category is not used in comparisons because the sum of case weights is less than two.</p> <p>c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.</p> <p>d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests.</p> | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 29: Comparisons of column proportions^{c,d}:
Individual perceptions of nascent entrepreneurs regarding entrepreneurial
activity, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|--------------|----------------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | ^a | | |
| Sees good opportunities for starting a business in the next 6 months | C | | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | | A B |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | ^{a,b} | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. | | | |
| a. This category is not used in comparisons because its column proportion is equal to zero or one. | | | |
| b. This category is not used in comparisons because the sum of case weights is less than two. | | | |
| c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. | | | |
| d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 30: Comparisons of column proportions^{c,d}:
Individual perceptions of established entrepreneurs regarding
entrepreneurial activity, 2007-2009**

| | 2007 | 2008 | 2009 |
|--|------|----------------|------|
| | (A) | (B) | (C) |
| Knows a person who started a business in the past 2 years | | | |
| Sees good opportunities for starting a business in the next 6 months | B C | | |
| Has the required knowledge/skills to start a business | | | |
| Fear of failure would prevent to start a business | | A | A |
| All inhabitants prefer uniform living standard | | | |
| Starting a business is considered as a good career choice | | ^{a,b} | |
| Persons growing a successful new business receive high status | | | |
| Lots of media coverage for new businesses | | | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. | | | |
| a. This category is not used in comparisons because the sum of case weights is less than two. | | | |
| b. This category is not used in comparisons because its column proportion is equal to zero or one. | | | |
| c. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. | | | |
| d. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2007-2009

**Appendix 31: Comparisons of column proportions^{a,b}:
Individual perceptions of social and non-social early-stage entrepreneurs,
2009**

| | NO | YES |
|--|-----|-----|
| | (A) | (B) |
| Knows a person who started a business in the past 2 years | | A |
| Sees good opportunities for starting a business in the next 6 months | | A |
| Has the required knowledge/skills to start a business | | A |
| Fear of failure would prevent to start a business | | |
| All inhabitants prefer uniform living standard | | |
| Starting a business is considered as a good career choice | | |
| Persons growing a successful new business receive high status | | |
| Lots of media coverage for new businesses | | |
| Results are based on two-sided tests with significance level 0.05. For each significant pair, the key of the category with the smaller column proportion appears under the category with the larger column proportion. | | |
| a. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction. | | |
| b. Cell counts of some categories are not integers. They were rounded to the nearest integers before performing column proportions tests. | | |

Source: Own calculations based on GEM, Adult Population Survey, Romania, 2009

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Entrepreneurship in Romania

2009 country report



Endnotes

¹ It is not a measure of business failure rate.

² See Appendix 1.

³ Results are based on two-sided tests with significance level 0.05.

⁴ For further details see Appendix 3.

⁵ For further details see Appendix 4.

⁶ For more details see Appendix 5.

⁷ For more details see Appendix 6.

⁸ For further details see Appendix 7.

⁹ For further details see Appendix 8.

¹⁰ For further details see Appendix 9.

¹¹ For further details see Appendix 10.

¹² For further details see Appendix 11.

¹³ For further details see Appendix 12.

¹⁴ For more details see Appendix 13.

¹⁵ For further details see Appendix 14.

¹⁶ For further details see Appendix 15.

¹⁷ For further details see Appendix 16.

¹⁸ For further details see Appendix 17.

¹⁹ For the comparisons of column proportions see Appendix 18.

²⁰ Appendix 19.

²¹ For further details see Appendix 20.

²² For results of the column percentage comparisons see Appendix 21.

²³ For further details see Appendix 22.

²⁴ For comparisons of column proportions see Appendix 25.

²⁵ For further details see Appendix 26.