

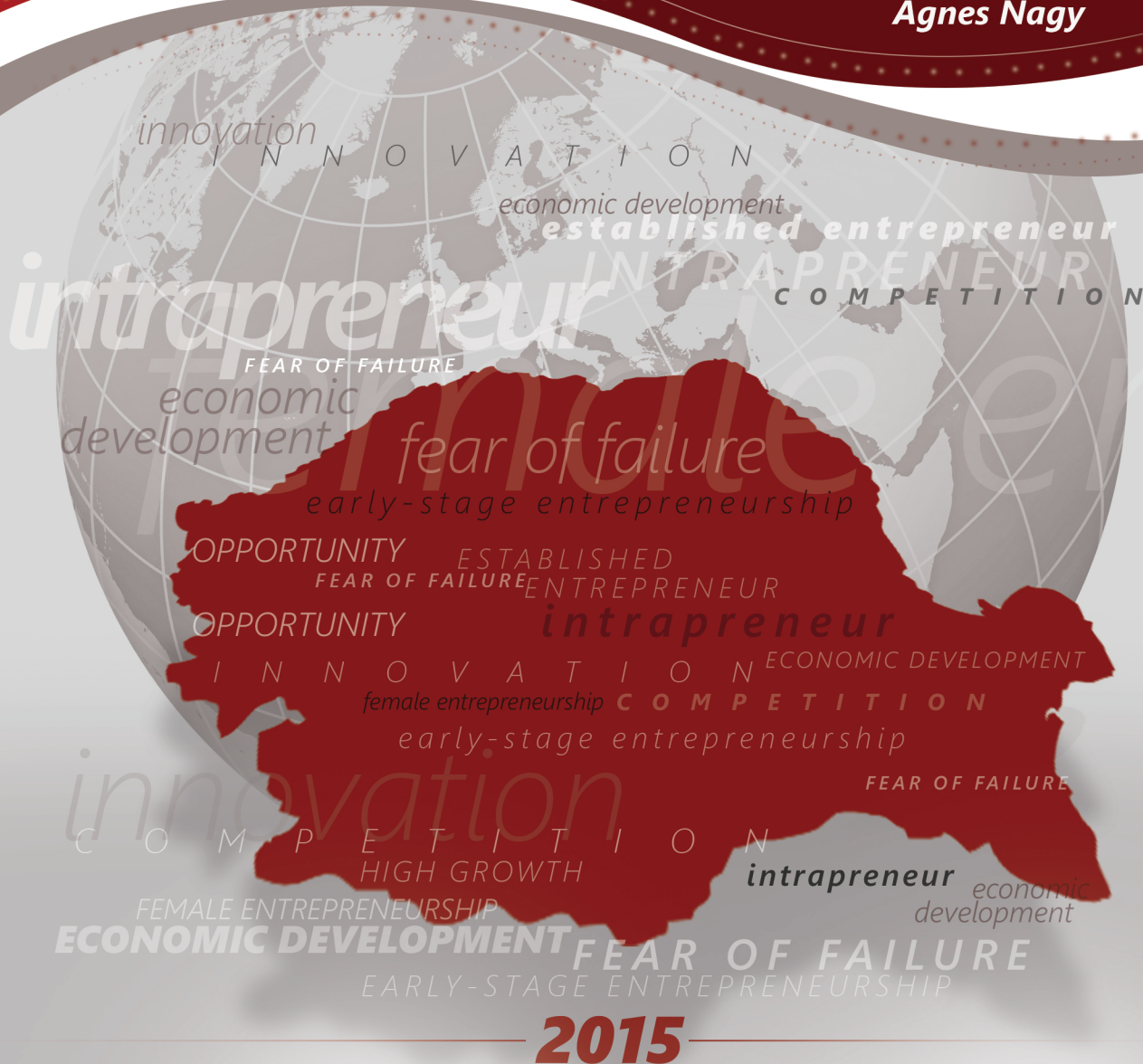
Global Entrepreneurship Monitor Romanian Report 2015

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Although GEM data were used in the preparation of this report, their interpretation and use are the sole responsibility of the authors.



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Table of contents

List of tables3

List of figures5

List of appendices.....6

Executive summary7

1 Theoretical aspects of GEM research.....9

 1.1 Conceptual framework9

 1.2 The GEM Methodology and Measurement Instruments (APS, NES)11

2 Phases of entrepreneurial activity16

 2.1 Entrepreneurial activities in international view16

 2.2 Profile of the Romanian entrepreneur20

 2.3 Characteristics of the Romanian entrepreneurial activity.....23

 2.4 Aspirations of entrepreneurs27

 2.5 Financing.....34

3 Entrepreneurial perceptions and societal values towards entrepreneurship37

 3.1 Self-perceptions about entrepreneurship37

 3.2 Societal values towards entrepreneurship41

4 Entrepreneurial employee activity43

5 The Romanian entrepreneurial ecosystem47

Conclusions and discussion58

References59

Appendices60

National team details78





List of tables

Table 1	GEM economies by geographic region and economic development level, 2015	12
Table 2	Efficiency-driven EU countries and their ranking by selected indexes, 2015	17
Table 3	Entrepreneurial activity rates in efficiency-driven EU countries, 2015 (% of population aged between 18-64 years)....	19
Table 4	Entrepreneurial activity rates in Romania, 2013-2015 (%)	20
Table 5	Distribution of entrepreneurs by gender, age, education and household income in Romania, 2015 (%)	21
Table 6	Distribution of entrepreneurs by motivation in Romania, 2015 (%)	23
Table 7	Distribution of early-stage entrepreneurs by industry sector in efficiency-driven economies from the European Union, 2015 (%)	24
Table 8	Distribution of established business owner-managers by industry in efficiency-driven from the European Union, 2015 (%)	24
Table 9	Technology level within early-stage entrepreneurs and established business owners in efficiency-driven economies from the European Union, 2015 (%).....	25
Table 10	Technology level within early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)	26
Table 11	Current number of jobs offered by early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)	27
Table 12	Expected number of jobs offered by early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%).....	29
Table 13	Distribution of informal investors by gender, age, education and household income in Romania, 2015 (%)	35
Table 14	Entrepreneurial perceptions in EU efficiency-driven economies, 2015 (%)	38





Table 15	Entrepreneurial perceptions in Romania, 2015 (%)	39
Table 16	Entrepreneurial attitudes in Romania, 2015 (%)	42
Table 17	Prevalence of entrepreneurial employees across gender, age, education and household income, 2013-2015 (%)	44
Table 18	Individual perceptions and attitudes of employees regarding entrepreneurial activity, 2013-2015 (%)	45
Table 19	Entrepreneurial finances in view of the national experts (1-completely false, 9-completely true), 2015.....	49
Table 20	Government policies in view of the national experts (1-completely false, 9-completely true), 2015.....	50
Table 21	Government entrepreneurship programs in view of the national experts (1-completely false, 9-completely true), 2015.....	51
Table 22	Entrepreneurial education in view of the national experts (1-completely false, 9-completely true), 2015.....	52
Table 23	R&D transfer in view of the national experts (1-completely false, 9-completely true), 2015	53
Table 24	Commercial and legal infrastructure in view of the national experts (1-completely false, 9-completely true), 2015	54
Table 25	Entry regulation in view of the national experts (1-completely false, 9-completely true), 2015	55
Table 26	Physical infrastructure in view of the national experts (1-completely false, 9-completely true), 2015.....	56
Table 27	Cultural and social norms in view of the national experts (1-completely false, 9-completely true), 2015.....	57



List of figures

Figure 1 GEM conceptual framework.....9

Figure 2 Model of Business Phases and Entrepreneurship Characteristics Represented in GEM..... 14

Figure 3 Total early-stage entrepreneurial activity rate in efficiency-driven GEM countries, 2015.....17

Figure 4 Distribution of entrepreneurs by industry in Romania, 2013-2015 (%).....25

Figure 5 High job expectations for entrepreneurs in efficiency-driven economies from the European Union, 2015.....28

Figure 6 Innovative orientation of entrepreneurs in efficiency-driven economies from the European Union, 2015 (%)29

Figure 7 Product novelty of entrepreneurs in Romania, 2013-2015 (%).....30

Figure 8 Degree of competition within early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)31

Figure 9 Early-stage entrepreneurs and established business owners by market expansion expectation in Romania, 2013-2015 (%).....32

Figure 10 International orientation of entrepreneurs in some efficiency-driven CEE countries, 2015.....33

Figure 11 International orientation of entrepreneurs in Romania, 2013-2015 (%).....34

Figure 12 Informal investor rate in the EU efficiency-driven economies, 2015 (%).....35

Figure 13 Entrepreneurial employee activity rate in efficiency-driven EU countries, 2015 (%)44

Figure 14 Entrepreneurial ecosystem by economic development phase, 2015 (1 = Highly Insufficient, 9 = Highly Sufficient).....48





List of appendices

Appendix 1 Ranking of stages of entrepreneurial activity by region, 201560

Appendix 2 Ranking of TEA by age group and by region, 201563

Appendix 3 Ranking of entrepreneurial motivations for TEA by region, 2015.....66

Appendix 4 Ranking of societal values of entrepreneurship by region, 2015.....69

Appendix 5 Ranking of self-perceived entrepreneurial opportunities, capabilities, failure and intentions by region, 2015 (% of population aged 18-64)72

Appendix 6 Entrepreneurial framework conditions, by region, 2015 (Weighted average: 1 = highly insufficient, 9 = highly sufficient)75



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Executive summary

The Global Entrepreneurship Monitor (GEM) is the most important and comprehensive international study on entrepreneurship and entrepreneurial environment. In 2015 this survey is conveyed for the 17th year, assessing the characteristics, motivations and aspirations of entrepreneurs, the attitude of the society toward entrepreneurship.

In 2015, more than 181,000 individuals were surveyed across the 62 participating countries. In Romania the study is conducted by the team of Babeş-Bolyai University of Cluj-Napoca, Faculty of Economics and Business Administration, since 2007. The data used in the analyses is gathered annually and is derived from two major sources: Adult Population Survey (APS) and National Experts Survey (NES). A total of 2,002 adults were interviewed in the Adult Population Survey (APS) for this study in 2015. In order to assess the national conditions influencing entrepreneurial activity 36 national experts completed a questionnaire on factors related to entrepreneurial environment.

The early-stage entrepreneurial activity rate in Romania in 2015 is 10.83% of the adult working age population. This rate is second higher among the analysed efficiency-driven GEM participating countries from the European Union. The share of nascent entrepreneurs increased from 5.33% in 2014 to 6.11% in 2015. This rate is similar to Poland, and the second highest after Latvia. The share of young business entrepreneurs is 5.05% in 2015, which value is also the second highest among the efficiency-driven economies of the European Union.

The opportunity-driven early-stage activity rate is 7.50% in 2015. This value is higher than it is in Bulgaria, Croatia, Hungary and Poland, but it is lower than the one measured in Latvia (11.36%). The necessity-driven early-stage entrepreneurship rate is 2.98%, slightly lower than the rate registered in 2014. The ratio of opportunity motivated and necessity motivated early-stage entrepreneurs slightly increased compared to 2014 (from 2.43 in 2014 to 2.52 in 2015).

In Romania early-stage entrepreneurial activity is more oriented towards consumer directed services (38.64%), followed by the extractive sector (24.04%). Only 15.82% of the Romanian early-stage entrepreneurs use very latest technology and 28.01% use new technology. The highest share of the early-stage entrepreneurs (49.59%) offer 1-5 jobs.





The entrepreneurial framework conditions present the less proper conditions in comparison with the other five efficiency-driven GEM participating economies of the EU in physical infrastructure, R&D transfers, government entrepreneurship programs, government taxes, and bureaucracy and entrepreneurship funding availability, conditions that are recommended to be improved as priority in order to improve entrepreneurship in Romania.



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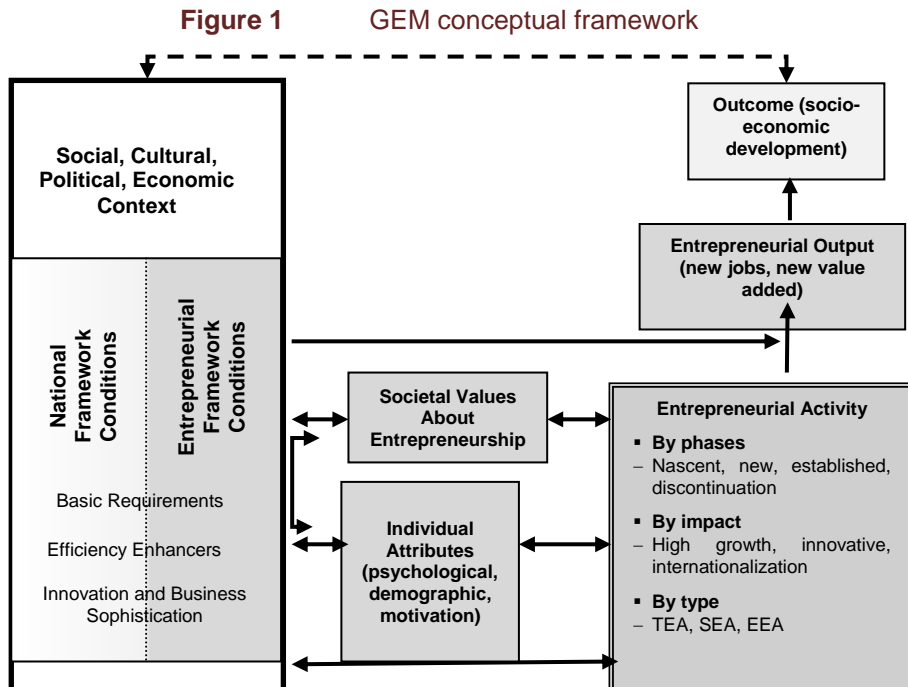


1 Theoretical aspects of GEM research

1.1 Conceptual framework

Global Entrepreneurship Monitor (GEM) research project analyse the interdependency between entrepreneurship and economic development. GEM defines entrepreneurship as any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business (Reynolds et al., 1999, p. 3).

The conceptual framework and the basic definitions evolved gradually, but bringing more clarity into assumed relationships. Since the GEM survey's early beginnings, the implicit assumption of mutual relationships among attitudes, aspirations, and activities were in-built in the conceptual framework, without spelling out the nature of these relationships. The GEM conceptual framework (Figure 1) contains the characteristics of the relationships between social values, personal attributes, and various forms of entrepreneurial activity.



Source: Kelley et al., 2016, p. 12



GEM continues to focus on contributing to global economic development through surveying entrepreneurship initiatives that are helping to improve research-based education and research-based design of public policies in the field of entrepreneurship. For this purpose it follows three objectives:

- Uncover factors that encourage or hinder entrepreneurial activity, especially related to societal values, personal attributes and the entrepreneurship ecosystem.
- Provide a platform for assessing the extent to which entrepreneurial activity influences economic growth within individual economies.
- Uncover policy implications for the purpose of enhancing entrepreneurial capacity in an economy (Kelley et al., 2016, p. 12).

The following are the components of the GEM conceptual framework (Singer et al., 2015, p. 21):

- **Social, cultural, political, and economic context:** defined by using the World Economic Forum's twelve pillars for profiling economic development phases when surveying competitiveness¹ and nine components of the GEM National Entrepreneurial Conditions (for more details see section 5). The levels of economic development are determined by the dominant presence of the identified group of pillars.
- **Social values towards entrepreneurship:** measure how society values entrepreneurship as a good career choice; if entrepreneurs have a high social status; and how media attention to entrepreneurship is contributing (or not) to the development of a national entrepreneurial culture.
- **Individual attributes:** contain several demographic factors (gender, age, and geographic location), psychological factors (perceived capabilities, perceived opportunities, fear of failure), and motivational aspects (necessity-based versus opportunity-based venturing, improvement-driven venturing, etc.).
- **Entrepreneurial activity:** defined according to the ventures' life cycle phases (nascent, new venture, established venture, discontinuation), the types of activity (high growth, innovation, internationalization) and

¹ The 12 pillars of competitiveness: institutions, infrastructure, macroeconomic environment (these pillars are keys for factor-driven economies), health and primary education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size (keys for efficiency-driven economies), business sophistication, innovation (keys for innovation-driven economies). For more details see Schwab (2012, pp. 4-8).



the sector of the activity (Total Early-stage Entrepreneurial Activity—TEA, Social Entrepreneurial Activity—SEA, Employee Entrepreneurial Activity—EEA).

1.2 The GEM Methodology and Measurement Instruments (APS, NES)

The GEM survey provides relevant primary information on different aspects of entrepreneurship and offers harmonized measures about individuals' attributes and their activities in different phases of venturing (from nascent entrepreneur to established business owner-manager). In 2015, more than 181,000 individuals were surveyed across 62 participating economies.

Since 2008, GEM has followed the World Economic Forum's typology of countries based on Porter's (Porter et al., 2002) definitions of economic development levels: factor-driven, efficiency-driven, and innovation-driven economies (Schwab, 2012, pp. 8-9):

- The **factor-driven economies** compete based on their factor endowments—primarily low-skilled 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 (pillar 1), a well-developed infrastructure (pillar 2), a stable macroeconomic environment (pillar 3), and a healthy workforce that has received at least a basic education (pillar 4).
- As a country becomes more competitive, productivity will increase and wages will rise with advancing development. Countries will then move into the **efficiency-driven** stage of development, when they must begin to develop more efficient production processes and increase product quality because wages have risen and they cannot increase prices. At this point, competitiveness is increasingly driven by higher education and training (pillar 5), efficient goods markets (pillar 6), well-functioning labour markets (pillar 7), developed financial markets (pillar 8), the ability to harness the benefits of existing technologies (pillar 9), and a large domestic or foreign market (pillar 10).
- As countries move into the **innovation-driven** stage, wages will have risen by so much that they are able to sustain those higher wages and the associated standard of living only if their businesses are able to compete with new and/or unique products, services, models, and processes. At this stage, companies must compete by producing new



and different goods through new technologies (pillar 12) and/or the most sophisticated production processes or business models (pillar 11).

According to the geographic region and economic development level, Table 1 presents the participating economies in the 2015 GEM survey.

Table 1 GEM economies by geographic region and economic development level, 2015

	Factor-Driven	Efficiency-Driven	Innovation-Driven
Africa	Botswana	Morocco	
	Burkina Faso	South Africa	
	Cameroon		
	Egypt		
	Senegal		
	Tunisia		
Asia & Oceania	India	China	Australia
	Iran	Indonesia	Israel
	Philippines	Kazakhstan	Japan
	Vietnam	Lebanon	Republic of Korea
		Malaysia	Taiwan
		Thailand	
		Turkey	
Latin America & Caribbean		Argentina	Puerto Rico
		Barbados	
		Brazil	
		Chile	
		Colombia	
		Ecuador	
		Guatemala	
		Mexico	
		Panama	
		Peru	
	Uruguay		
Europe		Bulgaria	Belgium
		Croatia	Estonia
		Hungary	Finland
		Latvia	Germany
		Poland	Greece
		Romania	Ireland
		Macedonia	Italy
			Luxembourg
			Netherlands
			Norway
			Portugal
			Slovakia
			Slovenia
			Spain
		Sweden	
		Switzerland	



	Factor-Driven	Efficiency-Driven	Innovation-Driven
			UK
North America			Canada United States

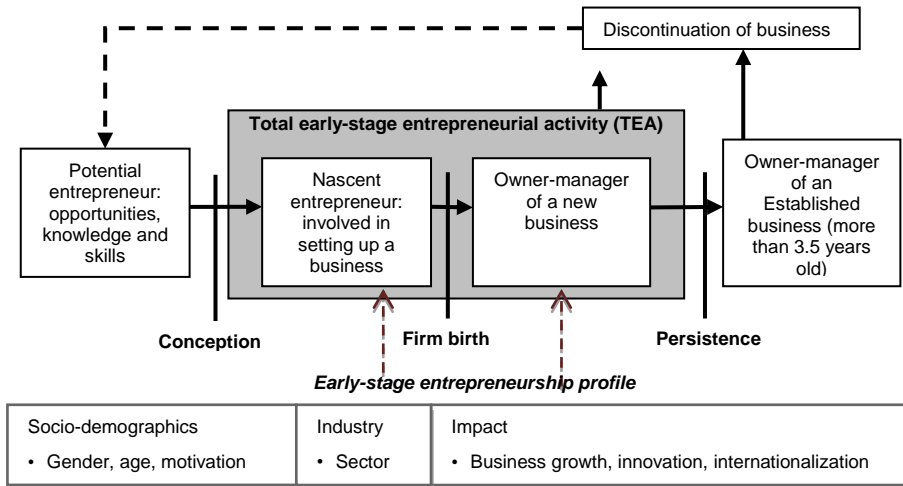
Source: Kelley et al., 2016, p. 11

The GEM project views entrepreneurship as a process comprising different phases, from intending to start, to just starting, to running new or established enterprises, and even discontinuing a business (Xavier et al., 2013, p. 13). The phases of entrepreneurial process are the following (Amorós and Bosma, 2014, p. 19; Xavier et al., 2013, p. 13):

- **Potential entrepreneurs** are identified as those individuals, who manifest entrepreneurial attitudes as potential prerequisites of the entrepreneurial. These individuals believe they possess the capabilities to start a new business, they see opportunities for entrepreneurship, and would not be dissuaded from doing so by fear of failure. For some potential entrepreneurs, their intentions to start businesses are underpinned by the perceptions society holds of entrepreneurs, the status these individuals enjoy in their society, and whether the media positively represents entrepreneurs.
- **Nascent entrepreneurs** are those individuals who were actively involved in the last year in starting their business, or, those who were starting a new business less than 3 months ago.
- **New business owner-managers** are defined as those former nascent entrepreneurs who have been in business for more than three months, but less than three and a half years (42 months).
- **Total early-stage entrepreneurs** are taken together the above two type of entrepreneurs.
- **Established business owner-managers** are those former new business owner-managers who have been active for more than 42 months.
- The multiphase process deals also with the **discontinuation** of the entrepreneurial activity.

Figure 2 summarizes the entrepreneurship process and the operational definitions of GEM.

Figure 2 Model of Business Phases and Entrepreneurship Characteristics Represented in GEM



Source: Kelley et al., 2016, p. 13

The data used in the analyses is gathered annually and is derived from two major sources: Adult Population Survey (APS) and National Experts Survey (NES). The Adult Population Survey is a survey of random representative sample at national level of at least 2,000 adults, aged between 18-64 years, using a standardized questionnaire developed by the Global Entrepreneurship Research Association (GERA). In 2015 in Romania 2,002 of APS questionnaires were applied via phone according to GEM methodology standards to randomly chosen adult individuals in a nationally representative sample, stratified by age, geographical region and status of the locality they live in.

The entrepreneurship ecosystem represents the combination of the nine entrepreneurial framework conditions. GEM assesses the following entrepreneurial framework conditions (Amorós and Bosma, 2014, p. 45):

- Financial support for entrepreneurship: the availability of financial resources, equity, and debt, for new and growing firms, including government subsidies.
- Governmental policies: the extent to which government policies, such as taxes or regulations are either size- neutral or encourage new and growing firms.



- Governmental programs: the extent to which taxes or regulations are either size-neutral or encourage new and growing firms.
- Education and training: the extent to which training in creating/managing new, small or growing business entities is incorporated within the education and training system at all levels. There are two sub-divisions – primary and secondary school entrepreneurship education and training; and post-school entrepreneurship education and training.
- Research and development transfer: the extent to which national research and development will lead to new commercial opportunities, and whether or not these are available for new, small and growing firms.
- Commercial and legal infrastructure: the presence of commercial, accounting and other legal services and institutions that allow or promote the emergence of small, new and growing business entities.
- Entry regulations: there are two sub-divisions – market dynamics, i.e. the extent to which markets change dramatically from year to year; and market openness, i.e. the extent to which new firms are free to enter existing markets
- Physical infrastructure: ease of access to available physical resources – communication, utilities, transportation, land or space – at a price that does not discriminate against new, small or growing firms.
- Cultural and social norms: the extent to which existing social and cultural norms encourage, or do not discourage, individual actions that might lead to new ways of conducting business or economic activities which might, in turn, lead to greater dispersion in personal wealth and income.

The NES sample comprises a minimum of 36 respondents with four experts drawn from each of the entrepreneurial framework categories. A minimum of 25% in the sample must be entrepreneur or business owner, and 50% must be professional.



2 Phases of entrepreneurial activity

2.1 Entrepreneurial activities in international view

The level of entrepreneurial activity varies among countries, is positively correlated with the level of economic development. In economies with low GDP per capita TEA rates tend to be high with a relatively high proportion of necessity-driven entrepreneurship. As per capita income increases, larger established firms play an increasingly important role in the economy (which provides an option for stable employment for a growing number of people, serving as a viable alternative to start a business) (Xavier et al., 2013, p. 26).

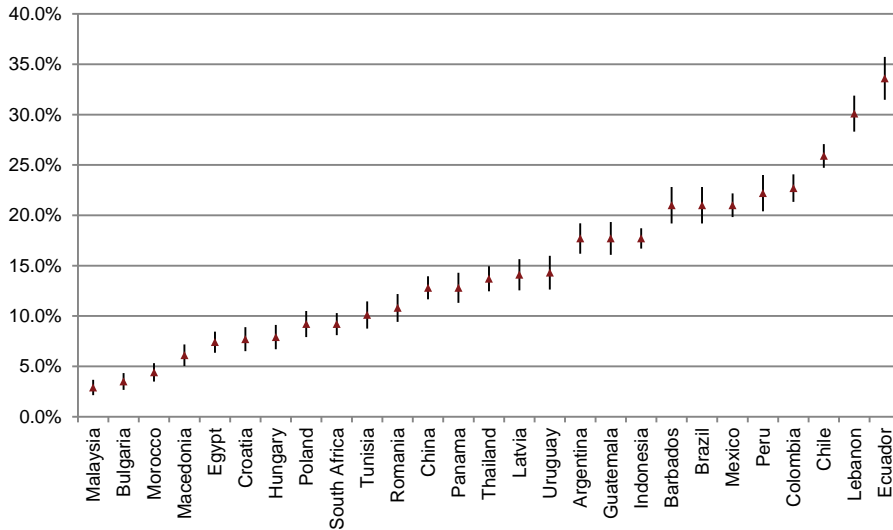
TEA rates tend to be the highest in the factor-driven group, decreasing with higher levels of economic development (21% for factor-driven, 15% for efficiency-driven and 8% for innovation-driven). Among economies at the same development level, though, there is substantial variation, particularly in the factor-driven and efficiency-driven groups (Kelley et al., 2016).

According to Kelley et al. (2016, p. 21) forty-five economies participated in the GEM survey for 2013, 2014 and 2015. Among these, several economies show upward trends in both TEA and established business ownership. Most notable is Mexico, with Botswana, Romania, Finland, Canada and Brazil also showing year-on-year growth in both indicators. This group of economies span all development levels and four regions.

As Figure 3 shows, in the efficiency-driven economies show widely varying TEA rates, spanning from 3% in Malaysia to 34% in Ecuador. Europe reports the lowest average regional TEA rate in case of efficiency-driven countries, the lowest rates were measured in Bulgaria and Macedonia.



Figure 3 Total early-stage entrepreneurial activity rate in efficiency-driven GEM countries, 2015



Source: Kelley et al., 2016, pp. 18-19

Table 2 presents the ranking of efficiency-driven European countries by Global Competitiveness Index, Ease of doing business, and Index of economic freedom, respectively the TEA rates and GDP per capita.

Table 2 Efficiency-driven EU countries and their ranking by selected indexes, 2015

Country	GDP per capita (current USD) ^{a)}	Global Competitiveness Index ^{b)}	Ease of Doing Business ^{b)}	Index of Economic Freedom ^{c)}	TEA (%) ^{d)}
Romania	8972.9	53	37	61	10.8
Bulgaria	6993.5	54	38	60	3.5
Croatia	11535.8	77	40	103	7.7
Hungary	12363.5	63	42	58	7.9
Latvia	13648.5	44	22	36	14.1
Poland	12554.5	41	25	39	9.2

Source: ^{a)}World Bank, ^{b)} World Economic Forum: Global Competitiveness Report, ^{c)} The Heritage Foundation, ^{d)} Global Entrepreneurship Monitor.



The most favourable rank is obtained by Latvia, followed by Poland. Romania has the best rank in case of Ease of doing business Index developed by the Heritage Foundation.

According to the GEM definition, entrepreneurship is seen as a continuous process that includes nascent entrepreneurs, young business entrepreneurs, and established entrepreneurs. Appendix 1 shows the most important entrepreneurial activity rates and ranks by region in GEM participating countries in 2015. The highest entrepreneurial activity rates are measured in Africa, followed by Latin America and Caribbean region, while the lowest rates can be found in Europe.

The share of those early-stage entrepreneurs who were motivated by necessity is also highest in Africa, followed by Latin America and Caribbean region, while the share of those who were engaged in entrepreneurial activity being motivated by improvement-driven opportunity is the highest in North America, followed by Asia and Oceania (see Appendix 3).

Table 3 shows the entrepreneurial activity rates in the efficiency-driven EU countries in 2015. The rate of those individuals who intend to start a business in the next three years is the highest in Romania (31.06%). The total early-stage entrepreneurial activity rate reaches the highest value in Latvia (14.11%) and in Romania (10.83%). In these two countries the rate of opportunity-driven early-stage entrepreneurs is also the highest. The share of established business owners is the lowest in Croatia (2.81%), but here is measured the highest entrepreneurial employee activity rate (4.15%). We can observe that in case of those countries where the proportion of early-stage and established entrepreneurs was the highest (Latvia and Romania) the discontinuation rates reach also the highest values.

Table 3 Entrepreneurial activity rates in efficiency-driven EU countries, 2015 (% of population aged between 18-64 years)

Entrepreneurial activity rates	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
Intentional entrepreneurs	31.06	6.44	20.87	17.05	23.51	22.39
Nascent entrepreneurs	6.11	1.95	5.11	5.31	8.57	5.74
Young business entrepreneurs	5.05	1.51	2.58	2.70	6.01	3.52
Early-stage entrepreneurs (TEA)	10.83	3.46	7.69	7.92	14.11	9.21
Necessity-driven early-stage entrepreneurs	2.98	1.16	3.08	1.84	2.41	2.58
Opportunity-driven early-stage entrepreneurs	7.50	2.30	4.55	5.67	11.36	6.38
Established business owners (EB)	7.47	5.44	2.81	6.49	9.59	5.92
Entrepreneurial employees ²	3.26	0.35	4.15	1.76	2.52	3.30
Discontinuation rate (business did not continue)	2.62	1.16	1.70	2.06	2.46	2.10

Source: GEM, Adult Population Survey, 2015

The evolution of the entrepreneurial activity rates between 2013-2015 can be found in Table 4 . Almost in case of each rate we can observe a stable entrepreneurial activity. We can observe the most important improvement in case of established business owners, 7.47% of the adult population aged between 18 and 64 years have a firm older than 3.5 years in 2015. The relative prevalence of opportunity-motivated versus necessity-motivated early-stage entrepreneurial activity increased in the analysed period, which means that the number of individuals who are pulled into entrepreneurship is increasing; they may desire greater independence in their work or seek to maintain or improve their income.

² Employee who is actively involved in and has a leading role in at least one of the following phases: idea development for a new activity or preparation and implementation of a new activity (base: adult population).



Table 4 Entrepreneurial activity rates in Romania, 2013-2015 (%)

Entrepreneurial activity rates	2013	2014	2015
Potential entrepreneurs ³	6.10	10.09	6.00
Intentional entrepreneurs	26.84	32.67	31.06
Nascent entrepreneurs	6.20	5.33	6.11
Young business entrepreneurs	4.20	6.17	5.05
Early-stage entrepreneurs (TEA)	10.12	11.35	10.83
Necessity-driven early-stage entrepreneurs	3.20	3.28	2.98
Opportunity-driven early-stage entrepreneurs	6.83	7.96	7.50
Established business owners (EB)	5.40	4.05	7.47
Discontinuation rate (business did not continue)	3.41	2.48	2.62

Source: GEM, Adult Population Survey Romania, 2013-2015

The business discontinuation may be considered as well a component of entrepreneurial dynamism in an economy. The share of individuals who have discontinued a business in the last twelve months decreased from 2013 to 2015, which can be another sign of the improving macroeconomic climate in Romania. Financial difficulties (unprofitable businesses and problems getting finance) were mentioned most often as the reason for discontinuing a business, followed by family or personal reasons in 2015.

2.2 Profile of the Romanian entrepreneur

Table 5 presents the distribution of the Romanian entrepreneurs by gender, age, educational attainment, and household income. In a broad sense, women are less likely than men to engage in entrepreneurship, but when they do, they are more likely to do so out of necessity (Kelley et al., 2016, p. 25). In Romania, in case of each analysed entrepreneurial phase, the share of male entrepreneurs is higher, but the distribution by gender is more balanced in case of intentional entrepreneurs, while the highest gap can be observed in case of nascent entrepreneurs.

A society can benefit from early-stage entrepreneurs of all ages, although this activity is most prevalent among those 25-34 and 35-44 year olds (as it can be seen in Appendix 2). Some differences between economies should be noted, the highest share of the younger age category (18-24 year olds) involved in

³ Potential entrepreneurs are those individuals who manifest entrepreneurial attitudes as potential prerequisites of the entrepreneurial. These individuals believe that they possess the capability to start a business, see new business opportunities and would not be dissuaded from doing so from fear of failing.

early-stage entrepreneurial activity among European countries can be observed in Latvia and in Estonia, nevertheless in Romania this proportion is the highest among all age categories. The share of those who are aged between 25-44 years old is 59.9% in case of early-stage entrepreneurs, while 42.7% of established business owners are older than 45 years.

The distribution by educational level shows that almost half of the early-stage entrepreneurs and more than half of established business owner-managers have at least post-secondary degree. The share of those with the highest educational attainment is the highest in case of young business owner-managers. The distribution of young business owner-managers and established business owner-managers by household income shows that more than half of them are situated in the upper 33% tile.

Table 5 Distribution of entrepreneurs by gender, age, education and household income in Romania, 2015 (%)

Variable		Potential	Intentional	Nascent	Young	TEA	EB
Gender	Male	66.7	59.6	69.7	61.4	65.4	62.0
	Female	33.3	40.4	30.3	38.6	34.6	38.0
Age category	18-24	19.8	19.8	21.5	14.9	18.0	6.0
	25-34	29.8	27.1	28.1	24.8	27.2	20.0
	35-44	14.0	26.4	30.6	36.6	32.7	31.3
	45-54	22.4	16.6	9.9	9.9	10.1	21.4
	55-64	14.0	10.1	9.9	13.8	12.0	21.3
Educational level	Some secondary degree	8.8	8.1	2.5	3.0	2.8	4.8
	Secondary degree	44.7	49.4	50.8	50.0	49.8	42.2
	Post-secondary degree	32.5	32.9	38.3	24.0	32.1	42.1
	Graduate experience	14.0	9.6	8.4	23.0	15.3	10.9
Household income	Lowest 33% tile	29.0	33.5	22.7	16.0	20.0	25.2
	Middle 33% tile	27.1	28.8	31.8	30.9	30.5	19.8
	Upper 33% tile	43.9	37.7	45.5	53.1	49.5	55.0

Source: GEM, Adult Population Survey, Romania, 2015



Motivations to start a business differ across the globe. A necessity-driven entrepreneur is one who indicates that she/he started the business because there were no better options for work, rather than because she/he saw the start-up as an opportunity. Improvement opportunity-driven entrepreneurs are defined as those opportunity-driven entrepreneurs who sought to either earn more money or be more independent, as opposed to maintain income. According to Kelley et al. (2016) the motivational index represents the percentage of TEA that is improvement-driven opportunity motivated, divided by the percentage of TEA that is necessity motivated. The motivational index is the highest in innovation-driven economies (3.4), while in case of factor-driven economies this value (1.5) is smaller than the one measured in case of efficiency-driven economies (2). As we can see in Appendix 3 the average motivational index for Europe is 2.8, value which is more than two times higher than the one measured in Romania (1.2).

Among the European economies the proportion of the necessity-motivated early-stage entrepreneurs is the highest in Macedonia (52.1%), which value is the greatest from all participating GEM countries, followed by Croatia (40.1%). The proportion of opportunity-driven early-stage entrepreneurs is the highest in Latvia (80.5%) and the lowest in Croatia (59.2%) among the efficiency-driven EU GEM countries. In Romania this value is 69.3% equal with the one measured in Poland.

In Romania more than a quarter of established business owner-managers are improvement-driven entrepreneurs, as we can observe at Table 6, nevertheless in case of them is the highest the share of non-opportunity motivated entrepreneurs (necessity or maintain income). If we analyse only the improvement-driven entrepreneurs, in case of early-stage entrepreneurs the main motivation is maintaining independence, while the established business owner-managers indicated the increase income as most frequent motive.



Table 6 Distribution of entrepreneurs by motivation in Romania, 2015 (%)

	Nascent	Young	TEA	EB
Opportunity motive: increase income	17.7	13.8	16.0	19.5
Opportunity motive: independence	18.2	20.5	18.3	13.4
Mixed motive: combination of necessity and opportunity	35.8	31.4	33.8	24.6
Non-opportunity motive: necessity or maintain income	28.3	34.3	31.9	42.5

Source: GEM, Adult Population Survey, Romania, 2015

2.3 Characteristics of the Romanian entrepreneurial activity

In this subchapter we will study the distribution of early-stage entrepreneurs and established business-owner managers by the main industry sectors, by the level of technology they use, and by the number of current employees.

Kelley et al. (2016, p. 9) indicate that in 2015 almost half of the entrepreneurs in the factor- and efficiency-driven economies operate their businesses in wholesale or retail businesses, while nearly half of the entrepreneurs in the innovation-driven economies started businesses in information and communications, financial, professional, health, education, and other services industries.

The table below shows that in Romania, Bulgaria, Croatia, Hungary, and Latvia early-stage entrepreneurial activity is more oriented towards consumer-oriented services, followed by the transforming sector (manufacturing and construction). Poland is the only country among these six, where these two mentioned sectors have reversed order in top. Among all analysed countries, Romania is the only exception, where entrepreneurs don't operate with the lowest share in the extractive sector (farming, forestry, fishing, and mining). The early-stage entrepreneurial activity in business services sector (which tends to rely on highly educated human capital) is the less prevalent in Romania.



Table 7 Distribution of early-stage entrepreneurs by industry sector in efficiency-driven economies from the European Union, 2015 (%)

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
Extractive	24.04	4.59	19.80	12.58	10.61	2.19
Transforming	19.28	36.36	23.62	26.73	36.02	37.16
Business services	18.04	9.14	23.53	12.66	19.82	24.98
Consumer oriented services	38.64	49.91	36.05	48.04	33.55	35.67

Source: GEM, Adult Population Survey, 2015

Established business owner-managers in Romania and Latvia operate the most and almost equally in consumer-oriented services and in transforming sector. In Bulgaria and Hungary established business owner-managers are more active in consumer oriented services sector, in Croatia and Poland the transforming sector is the most prevalent (as it can be seen in Table 8).

Table 8 Distribution of established business owner-managers by industry in efficiency-driven from the European Union, 2015 (%)

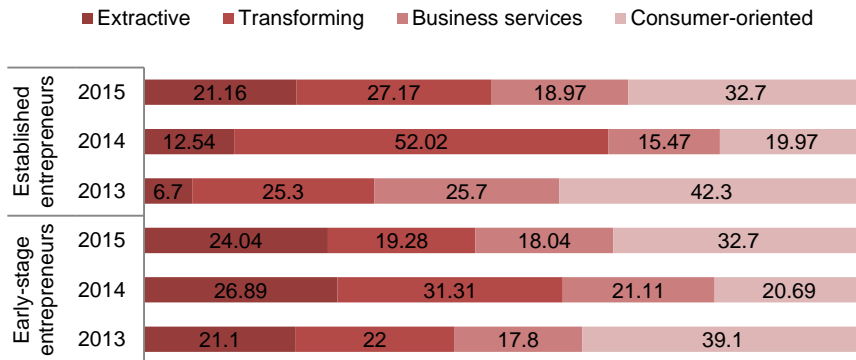
	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
Extractive	21.16	7.51	14.9	9.97	22.05	11.18
Transforming	27.17	33.64	37.25	23.03	31.91	34.89
Business services	18.97	1.84	17.23	29.21	17.59	27.35
Consumer oriented services	32.70	57.01	30.61	37.79	28.45	26.58

Source: GEM, Adult Population Survey, 2015

The figure below shows the distribution of entrepreneurs by industry sector in Romania between 2013 and 2015. In 2013 and in 2015 in case of both types of entrepreneurs the highest prevalence rate is reached in the consumer-oriented sector, in 2014 the transforming sector can be highlighted.



Figure 4 Distribution of entrepreneurs by industry in Romania, 2013-2015 (%)



Source: GEM, Adult Population Survey, Romania, 2013-2015

The technology level of early-stage entrepreneurs compared with the technology level of established entrepreneurs (Table 9), indicate that early-stage entrepreneurs use more frequently very latest technology (available for less than a year) than established entrepreneurs in the six analysed countries. Among these countries we can find in Croatia the highest share of early-stage entrepreneurs who use very latest technology (32.76%), and the highest share of those early-stage entrepreneurs who do not use new technology in Latvia (83.26%). Croatia has also the highest percentage of those established entrepreneurs who use very latest (27.41%) or new technology (23.83%), followed by Romania (7.97%, respectively 22.11%). On the other hand, 96.57% of Latvian and 94.10% of Hungarian established entrepreneurs doesn't use technology that is younger than 5 years.

Table 9 Technology level within early-stage entrepreneurs and established business owners in efficiency-driven economies from the European Union, 2015 (%)

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
TEA						
Very latest technology (newer than one year)	15.82	29.00	32.76	9.28	3.09	7.87
New technology (one to 5 years)	28.01	27.50	33.91	10.74	13.65	16.44
No new technology (more than 5 years)	56.17	43.50	33.33	79.98	83.26	75.69



EB						
Very latest technology (newer than one year)	7.97	0.92	27.41	0.70	0.00	1.63
New technology (one to 5 years)	22.11	14.75	23.83	5.20	3.43	10.84
No new technology (more than 5 years)	69.92	84.33	48.76	94.10	96.57	87.53

Source: GEM, Adult Population Survey, 2015

Analysing the technology level within early-stage entrepreneurs in Romania in the 2013-2015 period, we can conclude that the share of those early-stage entrepreneurs who use very latest technology or new technology remained about the same in each year (Table 10). An increase can be observed in this period from 3.17% in 2013 to 7.97% in 2015 in the share of those established entrepreneurs who use very latest technology.

Table 10 Technology level within early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)

		Uses very latest technology (only available since last year)	Uses new technology (1 to 5 years)	Uses no new technology
Early-stage entrepreneurs	2013	16.71	30.13	53.16
	2014	15.57	25.82	58.60
	2015	15.82	28.01	56.18
Established entrepreneurs	2013	3.17	20.12	76.71
	2014	4.27	15.55	80.19
	2015	7.97	22.11	69.93

Source: GEM, Adult Population Survey, Romania, 2013-2015

As it can be seen in Table 11 in Romania in 2015 the most (almost half) of the early-stage and established entrepreneurs offer 1-5 jobs. In the 2013-2015 period we can observe an increase in the share of those early-stage and established entrepreneurs who doesn't offer any job and a decrease in the share of those who offer 1-5 jobs. According to the table below, we can observe that in case of established entrepreneurs the share of those who offer high number of jobs (20+) increased slightly in comparison with 2013 in 2015. In case of early-stage entrepreneurs a slight decrease can be registered at this aspect.



Table 11 Current number of jobs offered by early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)

		2013	2014	2015
TEA	No jobs	13.4	24.98	29.21
	1-5 jobs	61.9	54.99	49.59
	6-19 jobs	13.0	14.58	13.73
	20+ jobs	11.8	5.45	7.47
EB	No jobs	13.8	18.02	23.50
	1-5 jobs	59.1	50.10	47.32
	6-19 jobs	19.7	20.56	21.09
	20+ jobs	7.5	11.32	8.09

Source: GEM, Adult Population Survey, Romania, 2013-2015

We can conclude, that in 2015 in Romania the dominant industry sector in case of both early-stage entrepreneurs and established business owner-managers is still the consumer oriented businesses. Almost half of early-stage entrepreneurs and almost a quarter of established business owner-managers use technology newer than 5 years. Only 21.2% of early-stage entrepreneurs and only 29.18% of established entrepreneurs offer more than 5 jobs.

2.4 Aspirations of entrepreneurs

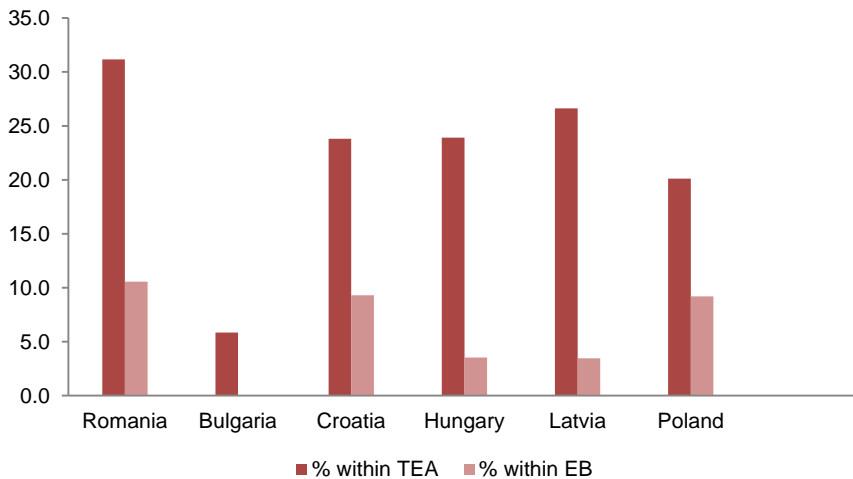
The Global Entrepreneurship Monitor measures the following forms of entrepreneurial aspirations: the job growth expectation (more than 10 jobs and over 50% growth in 5 years), innovation, and internationalization profiles of entrepreneurs.

Kelley et al. (2016, p. 9) indicate that the innovation-driven economies have on average, the highest proportion of those entrepreneurs who plan not to hire in the next five years (40% for factor-driven, 39% for efficiency-driven and 45% for innovation-driven). The share of medium-to-high growth oriented entrepreneurs (expect to employ six or more in the following five years) is similar across all economic development levels. It is also emphasized that average innovation levels increase with development level. Kelley et al. (2016, p. 30) also point out that Europe and North America have the highest internationalization levels of all the regions (on average around 20% of entrepreneurs with substantial international sales).



Figure 5 indicates the distribution of high job expectations by entrepreneurial activity in GEM participating efficiency-driven EU countries in 2015. The highest job growth expectations (more than 10 jobs and over 50% growth in 5 years) are reached in Romania and in Latvia in case of early-stage entrepreneurs. Among the analysed countries the established business owner-managers have the highest job expectations in Romania, Croatia and Poland. The early-stage entrepreneurs have higher job expectations than established entrepreneurs.

Figure 5 High job expectations for entrepreneurs in efficiency-driven economies from the European Union, 2015



Source: GEM, Adult Population Survey, 2015

The following table shows that in Romania the job expectations of the early-stage and established entrepreneurs didn't change significantly in the 2013-2015 period. The most of the Romanian early-stage and established entrepreneurs (38.54%, respectively 36.44%) are expecting to offer 1-5 jobs in the following 5 years. High job expectations (expect their businesses to have more than 19 new employees within five years) are registered among 20.4% of early-stage entrepreneurs and 15.54% of established owner-managers in 2015.



Table 12 Expected number of jobs offered by early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)

		2013	2014	2015
TEA	No jobs	8.0	6.71	8.77
	1-5 jobs	35.5	33.32	38.54
	6-19 jobs	33.9	33.91	32.28
	20+ jobs	22.6	26.06	20.40
EB	No jobs	15.1	17.07	22.86
	1-5 jobs	47.3	37.38	36.44
	6-19 jobs	24.1	22.93	25.16
	20+ jobs	13.5	22.61	15.54

Source: GEM, Adult Population Survey, Romania, 2013-2015

Figure 6 shows the percentage of early-stage entrepreneurs with innovative orientations in those efficiency-driven economies from the European Union who attended GEM in 2015. Among the analysed countries, in Croatia is the highest the prevalence of those early-stage entrepreneurs who have few or no competitors. The share of early-stage entrepreneurs who declare that they have a product or service that is new for all or to some customers is the highest in Poland, followed by Romania.

Figure 6 Innovative orientation of entrepreneurs in efficiency-driven economies from the European Union, 2015 (%)

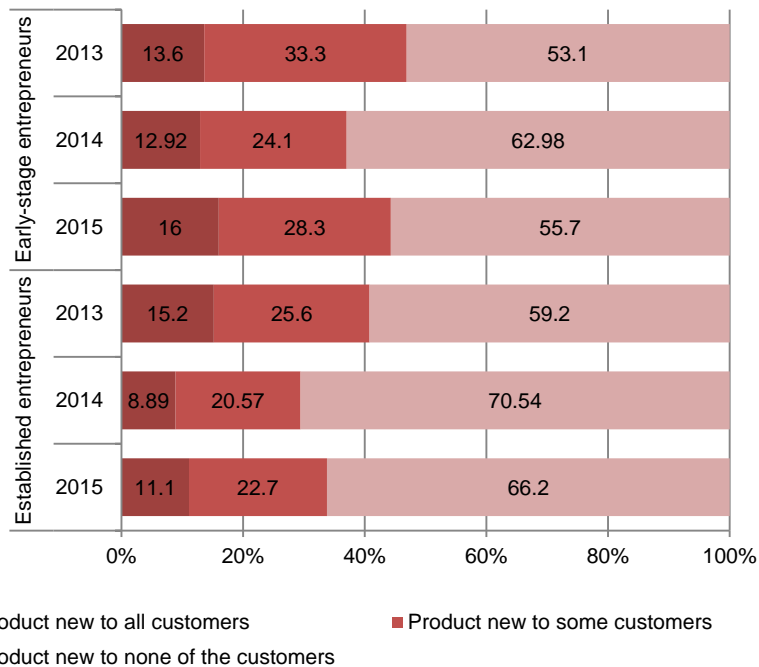


Source: GEM, Adult Population Survey, 2015



In 2015 the share of those early-stage and established entrepreneurs who doesn't offer a new product to the customers decreased in comparison with 2014, but these shares increased in comparison with 2013 (Figure 7). More than half of both types of entrepreneurs cannot be considered as being innovative. In Romania in 2015 44.3% of early-stage entrepreneurs, respectively 33.8% of established entrepreneurs consider that their products or services are new to all or to some of their customers.

Figure 7 Product novelty of entrepreneurs in Romania, 2013-2015 (%)

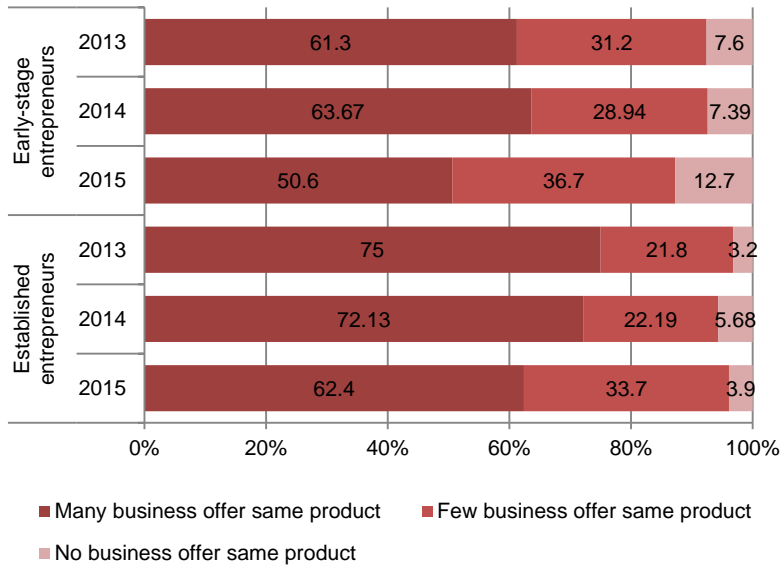


Source: GEM, Adult Population Survey, Romania, 2013-2015

Figure 8 shows that in Romania in 2015 a share of 49.4% of early-stage entrepreneurs consider that their products or services are offered by few or no other businesses. This is an increased share in comparison with 2013 (38.8%). At this indicator we can observe an increase in case of the established entrepreneurs too (from 25% in 2013 to 37.6% in 2015).



Figure 8 Degree of competition within early-stage entrepreneurs and established business owners in Romania, 2013-2015 (%)

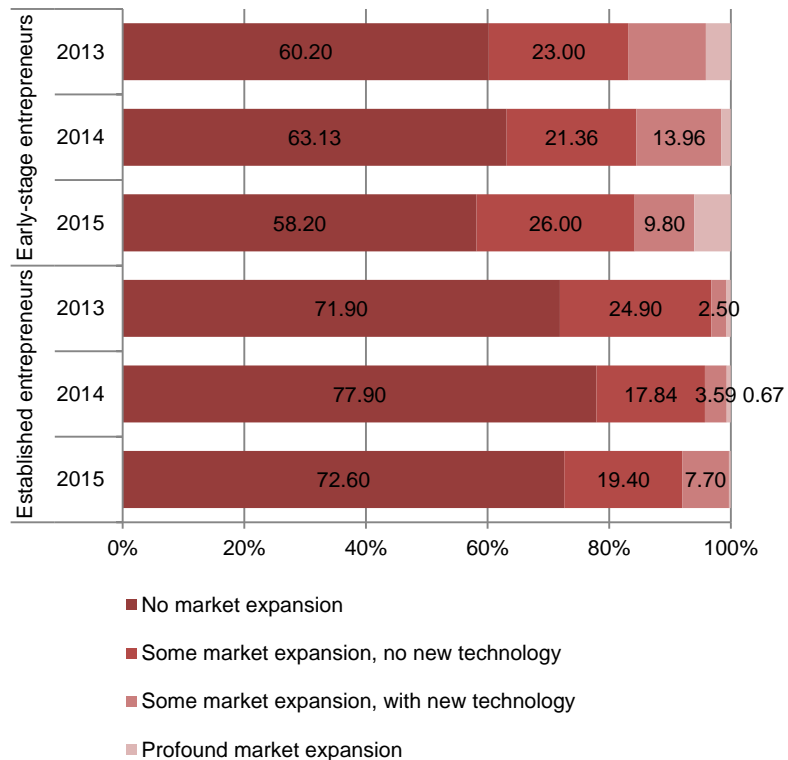


Source: GEM, Adult Population Survey, Romania, 2013-2015

Analysing the market expansion expectations of early-stage and established entrepreneurs in Romania as it can be seen in Figure 9 , we can conclude that market expansion expectations of early-stage entrepreneurs are higher than in case of established entrepreneurs. There are no important changes in their structure by their market expansion expectations in the 2013-2015 time period. However, in 2015 58.2% of early-stage entrepreneurs and 72.6% of established entrepreneurs are planning no market expansion at all.



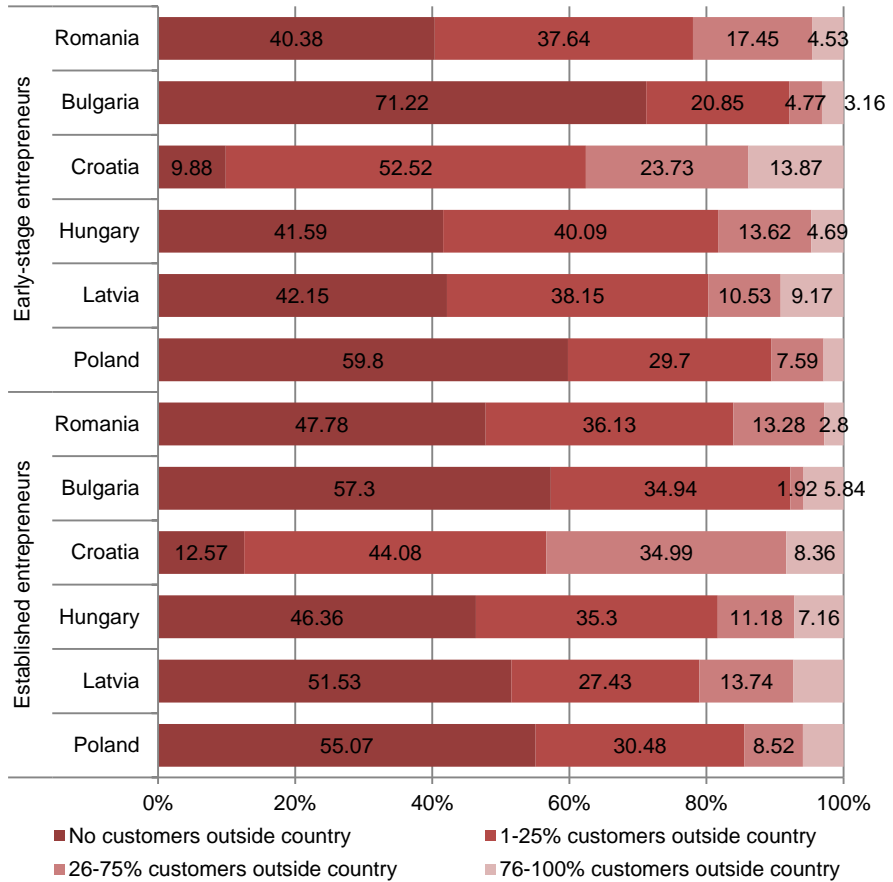
Figure 9 Early-stage entrepreneurs and established business owners by market expansion expectation in Romania, 2013-2015 (%)



Source: GEM, Adult Population Survey, Romania, 2013-2015

Figure 10 presents that in 2015 among the analysed countries the highest percentages of both type of entrepreneurs whose more than 25% customers are living outside the origin country are measured in Croatia. In Romania 59.62% of the early-stage entrepreneurs and 52.22% of the established entrepreneurs have at least 1% of the clients from outside the country. This share is the second highest among the analysed countries in Romania, after Croatia, in case of early-stage entrepreneurs, and the third highest, after Croatia and Hungary, in case of established entrepreneurs.

Figure 10 International orientation of entrepreneurs in some efficiency-driven CEE countries, 2015

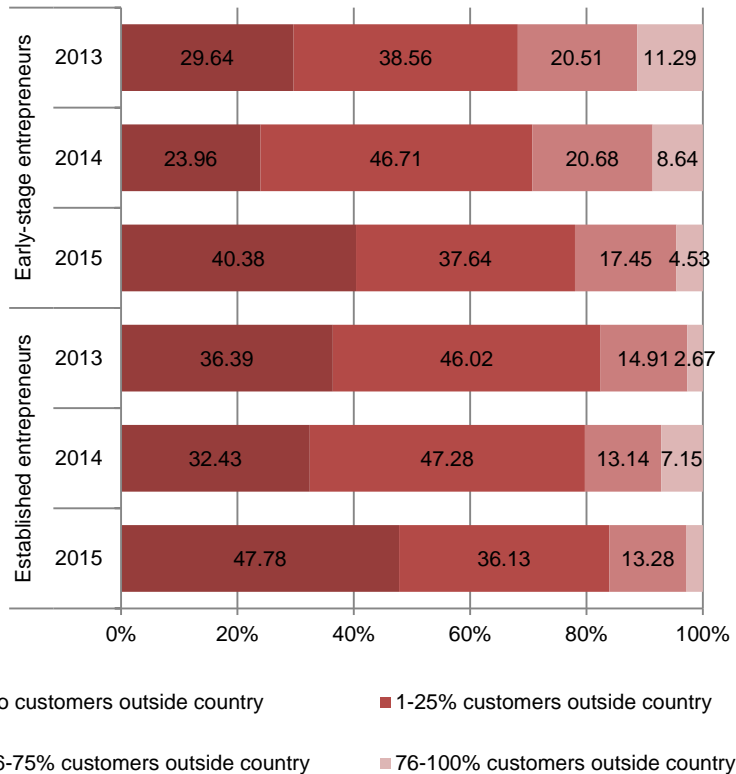


Source: GEM, Adult Population Survey, 2015

The international orientation of the Romanian entrepreneurs decreased in the 2013-2015 period, as it is shown in Figure 11. In 2013 31.8% of the early-stage entrepreneurs had at least 25% of their clients from abroad; in 2015 this share was reduced to 21.98%. The decrease can be registered also in case of established business owner-managers: from 2013 to 2015 this share was also slightly decreased from 17.58% to 16.09%.



Figure 11 International orientation of entrepreneurs in Romania, 2013-2015 (%)



Source: GEM, Adult Population Survey, Romania, 2013-2015

Analysing the job growth expectation, innovation, and internationalization profiles of entrepreneurs we can conclude that the Romanian entrepreneurs have high job expectations, high level of product novelty and high level of internationalization in comparison with the GEM participating EU efficiency-driven economies.

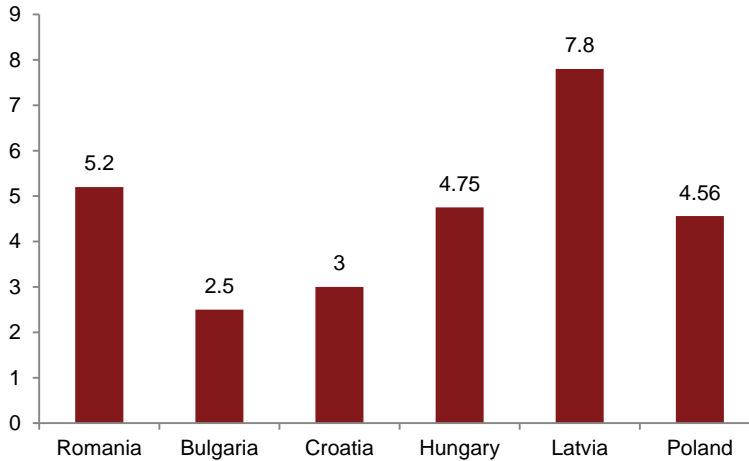
2.5 Financing

Informal investors are important for the entrepreneurial society. Informal investors are identified in the GEM countries by asking every respondent if they had made a recent informal investment in a business start-up that was not their own. In Romania, 5.2% of the adult population responded affirmatively to this



question in 2015 (Figure 12), which value is the second one between the efficiency-driven economies from the European Union.

Figure 12 Informal investor rate in the EU efficiency-driven economies, 2015 (%)



Source: GEM, Adult Population Survey, 2015

Table 13 shows the profile of the Romanian informal investor. Informal investors are more likely to be man, aged between 25-44 years, with secondary or post-secondary degree educational attainment, with household income from the upper 33% tile.

Table 13 Distribution of informal investors by gender, age, education and household income in Romania, 2015 (%)

Variable		Informal investors
Gender	Male	69.2
	Female	30.8
Age category	18-24	12.5
	25-34	23.1
	35-44	24.0
	45-54	20.2
	55-64	20.2
Educational level	Some secondary degree	2.9



Variable		Informal investors
	Secondary degree	49.5
	Post-secondary degree	40.8
	Graduate experience	6.8
Household income	Lowest 33% tile	19.6
	Middle 33% tile	27.8
	Upper 33% tile	52.6

Source: GEM, Adult Population Survey, Romania, 2015



3 Entrepreneurial perceptions and societal values towards entrepreneurship

Entrepreneurial perceptions and societal values towards entrepreneurship affect the entrepreneurial activity. Societal values towards entrepreneurship measure the general feelings of a population toward entrepreneurs and entrepreneurship. Every economy can benefit from individuals who are able to recognize business opportunities, and who perceive they have the required skills to exploit them. According to Xavier et al. (2013), if the economy in general has a positive attitude towards entrepreneurship, this can generate cultural and social support, financial and business assistance, and networking benefits that will encourage and facilitate potential and existing entrepreneurs.

3.1 Self-perceptions about entrepreneurship

Personal perceptions about entrepreneurship may influence, more or less, whether one would consider starting a business. GEM assesses individual self-perceptions regarding whether people see opportunities around them, whether they feel constrained by fear of failure, and whether they believe they are capable of starting a business (Kelley et al., 2016, p. 16).

The perception of entrepreneurial opportunities reflects the percentage of individuals who believe that there are opportunities to start a business in the next six months in the area they live. Perceived capabilities reflect the percentages of individuals who believe that they have the required skill, knowledge and experience to start a new business. Fear of failure reflects the percentage of individuals who believe that failure would prevent them from starting a new business. Entrepreneurial network reflects the percentage of individuals who know other entrepreneurs who started a new business in the past two years.

Appendix 5 shows the ranking of GEM participating countries by self-perceived entrepreneurial opportunities, capabilities, and fear of failure by region in 2015. Among the 60 participating GEM countries Romania take the 19th place according to fear of failure rate, 40.5% of the adult population consider that fear of failure would prevent them from starting a new venture. This rate is slightly greater than the European average regarding fear of failure (39.1%). The most unfavourable rank is reached in case of opportunity recognition (33.3%), Romania taking the 45th place among all participating GEM countries. The



value reached in case of perceived capabilities in Romania (46.3%) is above the average measured in Europe (43.1%).

Table 14 shows the entrepreneurial perceptions in the efficiency-driven economies from the European Union in 2015. In Croatia is the lowest the percentage of those individuals aged between 18-64 years who know a person who started a new business in the past two years (24.61%), while the highest rate is measured in Poland (43.23%). In Latvia (34.73%), Romania (33.31%) and Poland (32.89%) are measured the highest prevalence rates of perceived opportunities, while the opportunity recognition of individuals from Bulgaria (15.84%) is the lowest. The share of those who think that they have the necessary knowledge, skills and experience to start a business is the highest in Poland (55.92%). In Romania this percentage was 46.33% in 2015. The share of those who consider that fear of failure would prevent them from starting a new business is significantly higher in Poland (57.85%). In 2015, 48.69% of Romanian working age population answered that fear of failure prevents them from start a business.

Table 14 Entrepreneurial perceptions in EU efficiency-driven economies, 2015 (%)

	Knows a person who started a business in the past two years	Sees good opportunity for starting a business in the next six months	Has the required knowledge and skills to start a business	Fear of failure prevents from starting a business
Romania	32.07	33.31	46.33	48.69
Bulgaria	39.79	15.84	35.17	42.85
Croatia	24.61	22.30	47.52	44.73
Hungary	31.45	25.34	38.67	44.35
Latvia	32.75	34.73	49.08	42.76
Poland	43.23	32.89	55.92	57.85

Source: GEM, Adult Population Survey, Romania, 2015

The entrepreneurial perceptions by phases of entrepreneurial activity in Romania are summarized in Table 15 in 2015. The analysis indicates in case of the non-entrepreneurs the smallest share of those who know a person who started a business in the past two years (26.5%), of those who see good opportunity for starting a business in the next six months (30.9%) and those who consider that they have the required knowledge and skills to start a business (38.1%), meanwhile the share of those who feel that fear of failure



would prevent them from starting a business is the highest among the non-entrepreneurs (50.9%).

In Romania in case of intentional entrepreneurs is measured the lowest share among any categories of entrepreneurs of those who know a person who started a business in the past two years (48.4%), followed by established business owner-managers (51.4%) and entrepreneurial employees (51.8%). The highest share of those who see good opportunities for starting a business is reached in case of nascent entrepreneurs (51.7%), while the smallest in case of established business owner-managers (35.9%). The male early-stage entrepreneurs are the most self-confident, 87.1% of them think that they have the required skills, knowledge and experience to start a business. Fear of failure would prevent from starting a business 47.6% of the entrepreneurial employees, this value is the highest in case of them followed by intentional entrepreneurs (44.3%) and female early-stage entrepreneurs (44.0%).

We can conclude that the most favourable entrepreneurial self-perceptions are measured in case of opportunity motivated early-stage entrepreneurs, the third highest value for entrepreneurial network (64.4%), the second highest value for opportunity recognition, the second highest for entrepreneurial capabilities, and the second lowest rate for fear of failure.

Table 15 Entrepreneurial perceptions in Romania, 2015 (%)

	Knows a person who started a business in the past two years	Sees good opportunity for starting a business in the next six months	Has the required knowledge and skills to start a business	Fear of failure prevents from starting a business
Intentional entrepreneurs	48.4	43.8	65.2	44.3
Nascent entrepreneurs	60.7	51.7	85.2	32.0
Young business owner-managers	67.3	46.3	83.2	37.6
TEA	62.9	49.0	83.8	34.7
TEA male	60.7	48.5	87.1	29.8
TEA female	65.8	50.0	78.7	44.0
TEA opportunity	64.4	51.4	85.2	32.0
TEA necessity	56.9	42.9	79.7	38.3
EB	51.4	35.9	84.6	42.7



	Knows a person who started a business in the past two years	Sees good opportunity for starting a business in the next six months	Has the required knowledge and skills to start a business	Fear of failure prevents from starting a business
Informal investor	65.4	40.2	73.5	37.5
Entrepreneurial employee	51.8	45.5	71.9	47.6
Not entrepreneur	26.5	30.9	38.1	50.9

Source: GEM, Adult Population Survey, Romania, 2015

The self-perceptions about entrepreneurship of early-stage entrepreneurs were analysed by gender and motivation. There is a similar share of those male and female early-stage entrepreneurs who know a person who started a business in the past two years and of those who see good opportunity for starting a business in the next six months in the area they live. There is an important difference in the share of those who consider that they have the required knowledge and skills to start a business (male 87.1% and female 78.7%) and in the share of those who think that fear of failure would prevent them from starting a business (male 29.8% and female 44.0%). Male early-stage entrepreneurs seem to have more self-confidence regarding their business starting skills and to have less fear from failure than female early-stage entrepreneurs.

Important differences can be identified analysing the entrepreneurial perceptions of the early-stage entrepreneurs by their motivation. The percentage of those opportunity-motivated early-stage entrepreneurs who know a person who started a business in the past two years, who see good business opportunities and of those who think that fear of failure doesn't prevent them from starting a business present better shares than it is in case of necessity-motivated early-stage entrepreneurs.

The share of those established entrepreneurs who know a person who started a business in the past two years (51.4%) and who see good opportunities (35.9%) is lower than in case of early-stage entrepreneurs (entrepreneurial network 62.9%, perceived opportunities 49.0%). The early-stage entrepreneurs are more risk averse than the established business owner-managers.



3.2 Societal values towards entrepreneurship

In GEM survey social values are revised through three dimensions (Singer et al., 2015, p. 28):

- if most people consider starting a new business a desirable career choice;
- if those individuals who are successful at starting a new business enjoy a high level of status and respect in the society;
- if media attention to entrepreneurship (by promoting successful ventures) contribute or not to develop an entrepreneurial culture in a country.

The global results indicate that 68% of working-age adults attribute high status for entrepreneurs in their societies, and 61% think that successful entrepreneurs receive proper media attention. In the factor-driven and efficiency-driven economies, two-thirds of adults, on average, think that entrepreneurship is a good career choice. In the innovation-driven this share is 53% (Kelley et al., 2016, p. 7).

The positive entrepreneurial attitudes could affect the entrepreneurial activity. Table 16 presents the entrepreneurial attitudes of individuals by entrepreneurial activity in Romania. We can observe that in case of every type of entrepreneur between 69-80% think that most people consider starting a new business a desirable career choice. Exceptions from these are the established business owner-managers (59.7%). All categories of entrepreneur (64.7-76.3% of each category) agree also that those who are successful at starting a new business have a high level of status and respect. Established business owner-managers (57.2%), female early-stage entrepreneurs (60.0%) and entrepreneurial employees (60.4%) present the lowest shares in appreciating that there are many stories in the public media about successful new businesses, meanwhile the intentional entrepreneurs (70.1%), and the young business owner-managers (69.7%) being the mostly pleased categories with this aspect.



Table 16 Entrepreneurial attitudes in Romania, 2015 (%)

	Most people consider starting a new business a desirable career choice	Those successful at starting a new business have a high level of status and respect	There are many stories in the public media about successful new businesses
Intentional entrepreneurs	78.2	71.9	70.1
Nascent entrepreneurs	75.9	71.1	64.1
Young business owner-managers	71.4	75.5	69.7
TEA	73.6	72.3	65.2
TEA male	75.7	74.8	68.3
TEA female	69.4	66.7	60.0
TEA Opportunity	69.7	67.6	62.3
TEA Necessity	80.4	81.7	70.2
Established business owner-managers	59.7	65.3	57.2
Entrepreneurial employee	70.3	64.7	60.4
Informal investor	61.5	71.3	67.7
Not entrepreneur	73.3	76.3	68.6

Source: GEM, Adult Population Survey, Romania, 2015

According to Appendix 4, Romania is ranked 12 among the GEM participating countries worldwide and 2nd in Europe regarding the share of those who think that entrepreneurship is a good career choice. The percentage of those who appreciate that the society attributes high social status to successful entrepreneurs ranks Romania the 18th worldwide and the 4th in Europe. Romania's rank regarding the media attention for entrepreneurship is the 4th highest in Europe and the 19th worldwide.

We can conclude that all three analysed topics regarding the entrepreneurial attitudes are rated high in Romania, and there are no important differences in the appreciation of these three topics between the entrepreneurs and the non-entrepreneurs.



4 Entrepreneurial employee activity

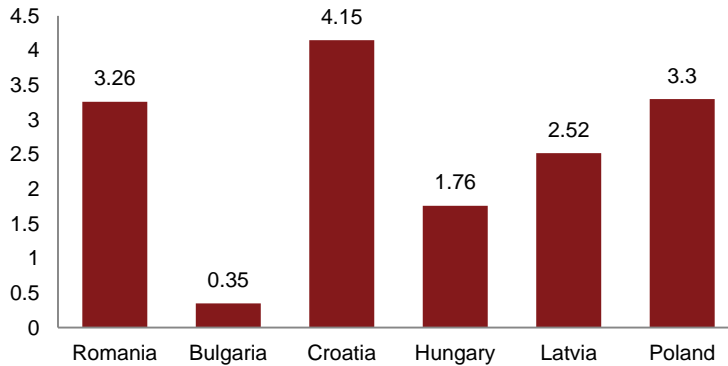
Since 2011, GEM captures entrepreneurial employee activity (EEA), acknowledging the existence of different types of entrepreneurship (early-stage entrepreneurs, established businesses and ambitious entrepreneurial employee activity), which together build the entrepreneurial capacity of an economy. GEM operationalizes entrepreneurial employee activity as a situation where an employee in the past three years was actively involved in entrepreneurship as part of his job and had a leading role in either the idea development for a new activity or the preparation and implementation of a new activity.

Many people start businesses for their employers. While the presence of employee job options may decrease start-up activity in these developed economies, entrepreneurship may move into existing organizations. Entrepreneurial Employee Activity (EEA) is negligible in the efficiency-driven economies, and even more so in the factor driven ones. Yet it accounts for a substantial portion of entrepreneurial activity in the innovation-driven group, reaching almost two-thirds the level of TEA (Kelley et al., 2016, p. 22).

Appendix 1 contains the entrepreneurial employee activity rates and ranks as well in 2015. Among the 60 GEM participating country Norway is at the first place according to entrepreneurial employee activity, 9.9% of the adult population is engaged in this type of activity. Romania is on the 17th place, ahead of Germany.

Figure 13 illustrate the entrepreneurial employee activity rate in the efficiency-driven economies from the European Union in 2015. We can found the highest EEA rate in Croatia, followed by Poland and Romania. The lowest rate among efficiency-driven EU countries measured in Bulgaria is also one of the lowest rates among all participating GEM countries.

Figure 13 Entrepreneurial employee activity rate in efficiency-driven EU countries, 2015 (%)



Source: GEM, Adult Population Survey, 2015

The profile of the entrepreneurial employee in Romania can be seen in Table 17 in the 2013-2015 time period. We can observe that the typical entrepreneurial employee in Romania is male, aged between 25-44 years, situated in the upper 33% regarding household income, with at least post-secondary degree.

Table 17 Prevalence of entrepreneurial employees across gender, age, education and household income, 2013-2015 (%)

Variables	Categories	2013	2014	2015
Gender	Male	57.3	71.4	56.1
	Female	42.7	28.6	43.9
Age	18-24	4.9	8.9	10.8
	25-34	24.7	39.5	29.2
	35-44	42.0	21.0	30.8
	45-54	19.8	21.2	20.0
	55-64	8.6	9.5	9.2
Education level	Some secondary degree	2.5	2.4	1.5
	Secondary degree	24.7	16.1	30.8
	Post-secondary degree	54.3	40.2	38.5
	Graduate experience	18.5	41.3	29.2



Variables	Categories	2013	2014	2015
Household income categories	Lowest 33%	9.3	6.4	8.5
	Middle 33%	20.0	17.7	15.3
	Upper 33%	70.7	75.9	76.2

Note: The narrow definition of EEA was adopted for this table

Source: GEM, Adult Population Survey, Romania, 2013-2015

Table 18 shows the entrepreneurial self-perceptions and societal values about entrepreneurship of employees in Romania in 2013-2015 time period. In 2015 also there are significant differences between the self-perceptions and societal values about entrepreneurship of entrepreneurial employees and other employees. The percentage of entrepreneurial employees who confirmed that they have the necessary skills and knowledge to start a new business (81.5%) is significantly higher than the one measured in case of other employees (43.2%). It can be observed that the entrepreneurial employees have lower risk aversion than the other employees, in case of entrepreneurial employees the fear of failure rate is 44.6%, while in case of other employees is 51.6%. Half of the entrepreneurial employees consider entrepreneurship to be a good career choice, while in case of other employees this share is almost three quarters. According to other societal values about entrepreneurship there is no significant difference between entrepreneurial employees and other employees.

Table 18 Individual perceptions and attitudes of employees regarding entrepreneurial activity, 2013-2015 (%)

	Entrepreneurial employees			Other employees		
	2013	2014	2015	2013	2014	2015
Knows a person who started a business in the past 2 years	51.9	49.8	49.2	28.5	25.7	29.4
Sees good opportunities for starting a business in the next 6 months	31.4	38.8	37.9	26.1	31.1	32.0
Has the required knowledge/skills to start a business	83.3	73.9	81.5	44.8	45.9	43.2
Fear of failure would prevent to start a business	38.2	39.6	44.6	45.3	49.7	51.6
Starting a business is considered as a good career choice	66.0	52.3	57.1	72.4	72.7	70.0



	Entrepreneurial employees			Other employees		
	2013	2014	2015	2013	2014	2015
Persons growing a successful new business receive high status	56.6	69.1	73.4	72.7	76.3	74.3
Lots of media coverage for new businesses	52.8	60.9	69.2	60.4	72.4	68.0

Note: The narrow definition of EEA was adopted for this table

Source: GEM, Adult Population Survey, Romania, 2013-2015



5 The Romanian entrepreneurial ecosystem

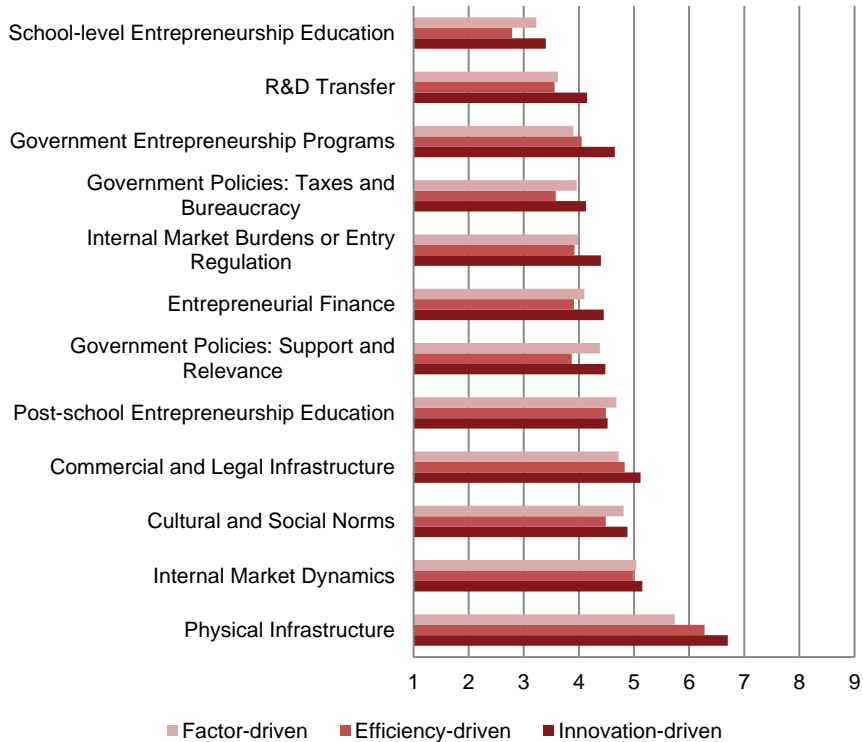
The entrepreneurial framework conditions are studied by the GEM through the National Experts' Survey in every participating country, 36 national experts rating the nine entrepreneurial conditions of their own country from 1 (highly insufficient) to 9 (highly sufficient), indicating the degree of their agreement on the questions regarding entrepreneurial finance, government policy, government entrepreneurship programs, entrepreneurship education, R&D transfer, commercial and legal infrastructure, entry regulation, physical infrastructure and cultural and social norms. The results obtained for Romania in 2015 are presented in comparison with the results obtained in Bulgaria, Croatia, Hungary, Latvia and Poland.

As we can see at 0the entrepreneurship ecosystem is strongest overall in the innovation-driven economies, while the factor-driven economies struggle with the least favourable entrepreneurship conditions. Physical infrastructure exhibits the largest variation between economic development levels, with an average rating of 5.7 in the factor driven economies and 6.7 in the innovation-driven economies (Kelley et al., 2016, p. 30).

Globally, the entrepreneurial ecosystem analysis indicate that the experts worldwide are the most satisfied with the physical infrastructure, the internal market dynamics, the cultural and social norms and the commercial and legal infrastructure. The lower appreciations are registered at the school-level entrepreneurship education, the R&D transfer and the government entrepreneurship programs.



Figure 14 Entrepreneurial ecosystem by economic development phase, 2015 (1 = Highly Insufficient, 9 = Highly Sufficient)



Source: Kelley et al., 2016, p. 31

The first set of questions addressed to the national experts were questions regarding the entrepreneurial finance. At this topic the highest average values in case of Romania were registered regarding the appreciation of the debt (3.9), equity (3.8) and government subsidies (3.8) funding availability (Table 19). The worst appreciations were registered for funding availability through public offerings (3.1), crowdfunding (3.2), venture capitalist funding (3.2) and funding provided by business angels (3.2). Taking in account that none of the average appreciation of the studied aspects exceeds the median (5) on the appreciation scale, we can conclude on a problematic situation in Romania regarding the entrepreneurial finances.

Comparing Romania with the studied GEM participating EU efficiency-driven economies, we can observe that the availability of entrepreneurial finances is



rated in average with more than 1 point less in Romania than in Latvia and Poland, with more than 0.6 points less than in Bulgaria and Hungary, and it is similar to Croatia (Table 19).

Table 19 Entrepreneurial finances in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
There is sufficient equity funding available for new and growing firms	3.8	4.6	3.6	4.7	4.8	5.2
There is sufficient debt funding available for new and growing firms	3.9	4.9	4.2	4.8	5.0	5.1
There are sufficient government subsidies available for new and growing firms	3.8	5.5	4.6	4.3	4.4	6.6
There is sufficient funding available from informal investors (family, friends and colleagues) who are private individuals (other than founders) for new and growing firms	3.4	5.6	3.6	3.4	4.9	5.2
There is sufficient funding available from professional Business Angels for new and growing firms	3.2	4.3	3.1	3.5	5.0	4.3
There is sufficient venture capitalist funding available for new and growing firms	3.2	4.3	2.8	4.4	5.2	4.9
There is sufficient funding available through initial public offerings (IPOs) for new and growing firms	3.1	2.9	2.7	2.9	2.9	4.0
There is sufficient funding available through private lenders' funding (crowdfunding) available for new and growing firms	3.2	3.0	2.6	3.4	4.1	3.6
Financial environment related with entrepreneurship (summary)	3.37	4.36	3.3	3.97	4.5	4.73

Source: GEM NES database 2015

The next studied framework is the government policy and its support to entrepreneurship, with two main components: government's support and the level of taxes and bureaucracy.



Table 20 indicates that in Romania at this framework condition the highest values are attributed to the support for new and growing firms at national level (4) and the time shortage of the permit and license release (4.2). The smallest values are attributed to the ease of bureaucracy (3.1), and the fact that government policies consistently favour new firms (3.1).

Government concrete policies, priorities and supports are rated in Romania in average (3.6) as high as in Latvia, but lower than in Poland (4.6). Bureaucracy and taxes (3.5) are rated similar like in case of Latvia and Poland, but worse than in Bulgaria (4.8). None of these component conditions exceeds the median value in case of Romania.

Table 20 Government policies in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
Government policies (e.g., public procurement) consistently favour new firms	3.1	2.6	2.0	2.0	2.7	3.7
The support for new and growing firms is a high priority for policy at the national government level	4.0	3.3	3.6	3.5	4.0	4.9
The support for new and growing firms is a high priority for policy at the local government level	3.6	2.9	2.9	2.6	4.5	5.2
Government concrete policies, priority and support (summary)	3.6	2.9	2.8	2.7	3.7	4.6
New firms can get most of the required permits and licenses in about a week	4.2	3.2	2.5	2.9	4.7	3.6
The amount of taxes is NOT a burden for new and growing firms	3.4	7.1	1.7	2.5	3.5	3.6
Taxes and other government regulations are applied to new and growing firms in a predictable and consistent way	3.3	5.0	2.4	2.0	3.6	3.7
Coping with government bureaucracy, regulations, and licensing requirements it	3.1	3.8	1.6	2.2	4.1	3.7



	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
is not unduly difficult for new and growing firms						
Government policies bureaucracy, taxes (summary)	3.5	4.8	2.0	2.4	3.8	3.4

Source: GEM NES database 2015

Table 21 shows that government entrepreneurship programs are rated in Romania in average (3.8) less than they are rated in case of Latvia and Poland, but higher than in Bulgaria, Croatia and Hungary. The highest values (4.8 and 4.1) are attributed in case of Romania to science parks and business incubators as supports for new and growing firms and to the adequate number of government programs for new and growing businesses. However, none of the average appreciations exceeds the median value of 5 points in case of Romania at this framework condition.

Table 21 Government entrepreneurship programs in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
A wide range of government assistance for new and growing firms can be obtained through contact with a single agency	3.6	2.6	2.4	3.5	4.6	3.8
Science parks and business incubators provide effective support for new and growing firms	4.8	4.0	4.5	4.1	5.8	4.8
There are an adequate number of government programs for new and growing businesses	4.1	4.0	3.6	3.8	5.1	5.0
The people working for government agencies are competent and effective in supporting new and growing firms	3.5	3.2	3.1	3.1	4.8	5.1
Almost anyone who needs help from a government program for a new or growing business can find what they need	3.7	3.2	3.0	2.8	4.3	4.4
Government programs aimed at supporting new and growing firms are effective	3.6	3.3	3.4	2.7	4.4	4.6
Government programs (summary)	3.8	3.4	3.2	3.2	4.7	4.6

Source: GEM NES database 2015



The situation of Romania is appreciated being better regarding the entrepreneurial education than the three conditions mentioned before, as it can be seen in Table 22 . Experts evaluated with 4.9 that colleges and universities provide good and adequate preparation for starting up and growing new firms, and with 4.7 that the level of business and management education provide good and adequate preparation for starting up and growing new firms. Regarding these two aspects Romania is in top 3 among the six analysed countries, with Latvia and Hungary. Overall, only Latvia exceeds Romania in the group of six, regarding the entrepreneurial education at primary, secondary and university level. The overall appreciation for Romania at this aspect is close to the median value of 5 points.

Table 22 Entrepreneurial education in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
Teaching in primary and secondary education encourages creativity, self-sufficiency, and personal initiative	3.9	2.5	2.1	2.8	4.4	2.6
Teaching in primary and secondary education provides adequate instruction in market economic principles	4.0	2.8	2.0	2.3	4.3	2.5
Teaching in primary and secondary education provides adequate attention to entrepreneurship and new firm creation	3.8	2.5	1.7	2.0	3.6	2.4
Entrepreneurial level of education at Primary and Secondary (summary)	3.9	2.6	1.9	2.3	4.0	2.5
Colleges and universities provide good and adequate preparation for starting up and growing new firms	4.9	4.0	3.2	4.3	5.5	3.5
The level of business and management education provide good and adequate preparation for starting up and growing new	4.7	4.4	4.2	5.0	5.6	3.6



	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
firms						
The vocational, professional, and continuing education systems provide good and adequate preparation for starting up and growing new firms	4.0	4.3	3.1	3.5	4.8	4.6
Entrepreneurial level of education at Vocational, Professional, College and University (summary)	4.5	4.2	3.5	4.3	5.4	3.9

Source: GEM NES database 2015

Table 23 shows that the R&D transfer is appreciated in average as being similar (3.5-3.7 points) in all the analysed countries, except for Croatia (2.9). In Romania the most appreciated aspect by the experts is that new and growing firms have just as much access to new research and technology as large, established firms (4.4), and the less appreciated is that new and growing firms can afford the latest technology (3.1).

Table 23 R&D transfer in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
New technology, science, and other knowledge are efficiently transferred from universities and public research centers to new and growing firms	3.7	2.9	2.6	3.3	3.7	2.9
New and growing firms have just as much access to new research and technology as large, established firms	4.4	3.6	2.6	2.9	3.8	2.6
New and growing firms can afford the latest technology	3.1	3.8	2.7	3.4	3.5	3.1
There are adequate government subsidies for new and growing firms to acquire new technology	3.8	3.7	3.6	3.6	3.9	5.4
The science and technology base efficiently supports the creation of world-class new	3.9	4.4	2.7	5.2	4.3	4.0



	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
technology-based ventures in at least one area						
There is good support available for engineers and scientists to have their ideas commercialized through new and growing firms	3.6	3.2	2.8	3.3	3.5	3.7
R&D level of transference (summary)	3.7	3.6	2.9	3.6	3.5	3.5

Source: GEM NES database 2015

The questions regarding the commercial and legal infrastructure indicate that Romanian experts appreciate with values over the median value of 5 points at this framework condition at 4 out of 5 questions, with an average of 6 points, and, with that, Romania is leader with Latvia among the six countries at this aspect (Table 24).

Table 24 Commercial and legal infrastructure in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
There are enough subcontractors, suppliers, and consultants to support new and growing firms	6.4	5.5	4.8	4.6	6.3	5.5
New and growing firms can afford the cost of using subcontractors, suppliers, and consultants	4.4	4.2	3.0	3.1	4.7	3.6
It is easy for new and growing firms to get good subcontractors, suppliers, and consultants	5.7	4.7	4.0	3.7	5.6	3.7
It is easy for new and growing firms to get good, professional legal and accounting services	6.8	5.8	5.0	5.1	6.7	4.3
It is easy for new and growing firms to get good banking services (checking accounts, foreign exchange transactions, letters of credit, and the like)	6.6	6.4	5.4	5.3	7.3	5.8
Professional and commercial infrastructure access (summary)	6.0	5.2	4.3	4.4	6.1	4.5

Source: GEM NES database 2015



The entry regulations in view of the national experts indicate that the internal market dynamics is appreciated as being worse than in Romania (average: 4.2) only in Bulgaria (average: 3.6) among the six analysed countries, as it can be observed in Table 25 . The internal market burdens are appreciated in average more favourable in Poland and Latvia than in Romania (at similar level with Bulgaria and Hungary). The effectiveness of the anti-trust legislation is the second most appreciated in Romania (4.8) among the six countries, following Latvia (5.3).

Table 25 Entry regulation in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
The markets for consumer goods and services change dramatically from year to year	4.2	3.5	6.1	5.7	4.9	6.2
The markets for business-to-business goods and services change dramatically from year to year	4.2	3.6	6.1	5.2	4.8	6.5
Internal market dynamics (summary)	4.2	3.6	6.1	5.5	4.8	6.4
New and growing firms can easily enter new markets	3.5	4.9	3.4	3.8	3.9	5.0
The new and growing firms can afford the cost of market entry	3.5	4.1	2.5	3.6	4.1	3.8
New and growing firms can enter markets without being unfairly blocked by established firms	4.3	3.6	2.8	4.1	5.0	4.3
The anti-trust legislation is effective and well enforced	4.8	3.2	3.3	3.5	5.3	5.2
Internal market burdens (summary)	4.0	3.9	3.0	3.8	4.5	4.6

Source: GEM NES database 2015

The physical infrastructure and its support towards entrepreneurship are appreciated the worst in Romania by the experts in comparison with the other six countries (Table 26). At all the five questions of this conditions experts rated the Romanian conditions as being lagging behind all the studied countries. Overall, in average this aspect is rated with more than 1 point less than in any other of the studied countries. However, access to communications



(5.9) and the not expensiveness of the communications (5.6) are rated slightly higher in case of Romania than the other studied aspects of the physical infrastructure.

Table 26 Physical infrastructure in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
The physical infrastructure (roads, utilities, communications, waste disposal) provides good support for new and growing firms	3.9	5.4	6.5	5.5	5.3	5.6
It is not too expensive for a new or growing firm to get good access to communications (phone, Internet, etc.)	5.6	7.9	7.0	6.5	7.2	7.5
A new or growing firm can get good access to communications (telephone, internet, etc.) in about a week	5.9	8.2	7.8	6.5	8.1	8.0
New and growing firms can afford the cost of basic utilities (gas, water, electricity, sewer)	4.6	7.0	5.4	5.9	6.2	7.2
New or growing firms can get good access to utilities (gas, water, electricity, sewer) in about a month	4.1	5.1	5.4	6.2	6.4	6.2
Physical infrastructures and services access (summary)	4.9	6.8	6.5	6.1	6.7	6.8

Source: GEM NES database 2015

Table 27 indicates that the cultural and social norms that support entrepreneurial activities are rated in average below the median value of 5 in all the studied countries, including Romania. The highest support of the cultural and social norms towards entrepreneurship is attributed by the national experts in Latvia (4.8) and Poland (4.4), followed by Romania (4.1). In case of Romania the most appreciated aspect of this topic is that the national culture emphasizes self-sufficiency, autonomy, and personal initiative (4.4) and that the national culture emphasizes the responsibility that the individual (rather than the collective) has in managing his or her own life (4.3).



Table 27 Cultural and social norms in view of the national experts (1-completely false, 9-completely true), 2015

	Romania	Bulgaria	Croatia	Hungary	Latvia	Poland
The national culture is highly supportive of individual success achieved through own personal efforts	4.0	3.3	2.8	3.2	5.1	4.5
The national culture emphasizes self-sufficiency, autonomy, and personal initiative	4.4	3.6	2.8	3.0	5.3	4.3
The national culture encourages entrepreneurial risk-taking	3.9	2.9	2.2	2.8	4.0	3.7
The national culture encourages creativity and innovativeness	3.9	4.2	2.6	3.8	5.1	4.7
The national culture emphasizes the responsibility that the individual (rather than the collective) has in managing his or her own life	4.3	3.4	2.9	3.4	4.8	4.7
Cultural, social norms and society support (summary)	4.1	3.5	2.6	3.2	4.8	4.4

Source: GEM NES database 2015

Appendix 6 indicates that the entrepreneurship framework condition appreciations in Romania are below the European average in the most of the analyzed aspects, except for entrepreneurial level of education at primary and secondary, respectively for commercial and legal infrastructure.

The physical infrastructure, R&D transfers, government programs which support entrepreneurship, government taxes and bureaucracy and - funding availability for new and growing firms are the entrepreneurship framework conditions that can be highlighted as areas that need to be improved in the future in order to make entrepreneurship in Romania more effective.



Conclusions and discussion

In 2015 the early-stage entrepreneurial activity rate in Romania is 10.83% of the 18-64 age population. This value is similar to the values measured in the two previous years. The established business owners' rate is 7.47%. These rates are lower than in Latvia, similar to Poland, and higher than in Bulgaria, Croatia and Hungary. The opportunity-driven early-stage entrepreneurs' rate is 7.5%, the necessity-driven early-stage entrepreneur's rate is 2.98% in Romania. The opportunity motivation is dominant among the early-stage entrepreneurs of the six analyzed countries, including Romania. The intentional entrepreneurs' rate is 31.06% in Romania, the highest among the six analysed GEM participating EU efficiency-driven economies.

In Romania can be highlighted in case of both early-stage entrepreneurs and established business owner-managers the role of the consumer oriented businesses in 2015. Almost 50% of early-stage entrepreneurs and almost a 25% of established business owner-managers use technology newer than 5 years. 21.2% of early-stage entrepreneurs and 29.18% of established entrepreneurs operate with more than 5 jobs.

The Romanian entrepreneurs in 2015 have relative high job expectations, relative high level of product novelty and relative high level of internationalization in comparison with the most of the analyzed GEM participating efficiency-driven countries from the European Union.

On basis of the national experts' considerations we can conclude that the most prioritized entrepreneurship framework conditions, which need to be improved in Romania by future policies, are: physical infrastructure, R&D transfers, government entrepreneurship programs, government taxes and bureaucracy and entrepreneurship funding availability.



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Appendices

Appendix 1 Ranking of stages of entrepreneurial activity by region, 2015

REGION	ECONOMY	Early-stage entrepreneurial activity (TEA)		EEA		Established business ownership rate		Discontinuation of businesses (% of TEA)	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
Africa	Botswana	3	33.2	35	1.6	47	4.6	1	14.7
	Burkina Faso	5	29.8	51T	0.6	1	27.8	9	8.1
	Cameroon	7	25.4	48T	0.7	12	12.8	5	9.0
	Egypt	43	7.4	38	1.3	56	2.9	14	6.6
	Morocco	58	4.4	55T	0.4	41T	5.2	46T	2.2
	Senegal	1	38.6	29T	2.3	5	18.8	2	13.3
	South Africa	38T	9.2	57T	0.3	53	3.4	19	4.8
	Tunisia	33	10.1	34	1.9	44	5.0	10T	7.2
	Total		19.8		1.1		10.1		8.3
Asia & Oceania	Australia	24T	12.8	2	8.5	20	8.7	22	4.5
	China	24T	12.8	36T	1.4	55	3.1	39T	2.7
	India	30T	10.8	57T	0.3	38	5.5	43T	2.3
	Indonesia	13T	17.7	60	0.2	8	17.1	27T	3.7
	Iran	23	12.9	43T	1.0	10	14.0	12T	6.7
	Israel	28	11.8	6T	6.5	51	3.9	21	4.6
	Kazakhstan	29	11.0	46T	0.9	58	2.4	35T	3.1
	Korea	36T	9.3	27T	2.4	28T	7.0	49T	2.0
	Lebanon	4	30.1	25T	3.3	6	18.0	4	10.6
	Malaysia	60	2.9	57T	0.3	45T	4.8	59	1.1
	Philippines	16	17.2	29T	2.3	26T	7.3	3	12.2
	Taiwan	44T	7.3	20T	4.1	16T	9.6	25T	3.8
	Thailand	20T	13.7	48T	0.7	2	24.6	30T	3.4
	Vietnam	20T	13.7	51T	0.6	3	19.6	27T	3.7
Total		13.1		2.3		10.4		4.6	
Latin America & Caribbean	Argentina	13T	17.7	27T	2.4	18	9.5	16	6.3
	Barbados	10T	21.0	41T	1.1	9	14.1	25T	3.8
	Brazil	10T	21.0	43T	1.0	4	18.9	12T	6.7
	Chile	6	25.9	15	5.2	21	8.2	7	8.5
	Colombia	8	22.7	29T	2.3	41T	5.2	10T	7.2

Global Entrepreneurship Monitor Romanian Report 2015



REGION	ECONOMY	Early-stage entrepreneurial activity (TEA)		EEA		Established business ownership rate		Discontinuation of businesses (% of TEA)	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Ecuador	2	33.6	46T	0.9	7	17.4	8	8.3
	Guatemala	13T	17.7	39T	1.2	22	8.1	24	4.0
	Mexico	10T	21.0	39T	1.2	30	6.9	15	6.4
	Panama	24T	12.8	54	0.5	49T	4.2	46T	2.2
	Peru	9	22.2	48T	0.7	31	6.6	6	8.8
	Puerto Rico	40	8.5	51T	0.6	60	1.4	60	0.9
	Uruguay	18	14.3	19	4.2	59	2.1	20	4.7
	Total			19.9		1.8		8.5	
Europe	Belgium	51	6.2	12	6.1	52	3.8	51T	1.9
	Bulgaria	59	3.5	55T	0.4	39	5.4	58	1.4
	Croatia	42	7.7	16	4.9	57	2.8	37	2.9
	Estonia	22	13.1	10T	6.3	23T	7.7	49T	2.0
	Finland	50	6.6	13	5.8	14	10.2	39T	2.7
	Germany	57	4.7	18	4.5	45T	4.8	53T	1.8
	Greece	49	6.7	43T	1.0	11	13.1	30T	3.4
	Hungary	36T	7.9	5	2.1	32T	6.5	35T	2.8
	Ireland	41	9.3	33	6.6	37	5.6	38	3.1
	Italy	56	4.9	36T	1.4	48	4.5	51T	1.9
	Latvia	19	14.1	25T	3.3	16T	9.6	30T	3.4
	Luxembourg	32	10.2	8T	6.4	54	3.3	23	4.2
	Macedonia	52	6.1	29T	2.3	34T	5.9	43T	2.3
	Netherlands	46T	7.2	10T	6.3	15	9.9	48	2.1
	Norway	54T	5.7	1	9.9	32T	6.5	56T	1.6
	Poland	38T	9.2	22T	4.0	34T	5.9	39T	2.7
	Portugal	35	9.5	22T	4.0	28T	7.0	34	3.2
	Romania	30T	10.8	17	4.6	25	7.5	33	3.3
	Slovakia	34	9.6	24	3.6	36	5.7	17	5.4
	Slovenia	53	5.9	14	5.6	49T	4.2	53T	1.8
Spain	54T	5.7	41T	1.1	23T	7.7	56T	1.6	
Sweden	46T	7.2	8T	6.4	41T	5.2	39T	2.7	
Switzerland	44T	7.3	6T	6.5	13	11.3	55	1.7	
United Kingdom	48	6.9	20T	4.1	40	5.3	43T	2.3	

Global Entrepreneurship Monitor Romanian Report 2015



REGION	ECONOMY	Early-stage entrepreneurial activity (TEA)		EEA		Established business ownership rate		Discontinuation of businesses (% of TEA)	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Total		7.8		4.5		6.6		2.6
North America	Canada	17	14.7	3	7.1	19	8.8	18	5.0
	USA	27	11.9	4	7.0	26T	7.3	29	3.6
	Total		13.3		7.0		8.1		4.3

Source: Kelley et al., 2016, pp. 118-119



Appendix 2 Ranking of TEA by age group and by region, 2015

REGION	ECONOMY	18 – 24 years		25 -34 years		35 – 44 years		45 -54 years		55 -64 years	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
Africa	Botswana	4	25.7	2	40.8	2	36.8	3	33.7	2	26.0
	Burkina Faso	1T	27.9	4	35.4	5T	30.7	7	24.9	5	21.4
	Cameroon	10	19.2	7	29.0	7	29.2	5	27.5	7	19.1
	Egypt	44	6.0	44T	9.7	46	8.8	49	5.9	41T	4.6
	Morocco	55T	2.9	57	6.1	55	6.6	59	2.9	58	1.3
	Senegal	5	25.4	1	45.3	1	46.2	1	45.6	1	32.5
	South Africa	43	6.3	40	10.9	31	12.3	37T	8.0	29	6.8
	Tunisia	42	6.5	27	14.9	38	10.1	27T	10.6	43T	4.4
	Total		15.0		24.0		22.6		19.9		14.5
Asia & Oceania	Australia	25T	10.2	26	15.3	22T	16.4	20	13.2	28	7.0
	China	24	10.9	22	17.7	24	16.3	22	12.6	35	5.8
	India	34	8.7	37	11.5	32	12.2	24	12.1	20T	9.3
	Indonesia	15	14.9	16	21.2	15T	19.2	17	15.0	12	13.7
	Iran	21T	12.1	24	16.3	28	14.2	33	9.5	30	6.4
	Israel	37	7.7	29T	13.8	26	15.7	26	10.7	18T	9.5
	Kazakhstan	27T	10.1	25	15.9	49	8.2	27T	10.6	24T	7.6
	Korea	59	2.2	58	4.6	44T	8.9	16	15.7	15	11.5
	Lebanon	3	26.7	5	31.9	4	35.2	4	31.4	4	25.6
	Malaysia	58	2.3	60	3.3	60	3.5	60	2.7	54	2.6
	Philippines	35	8.6	18	18.6	13	21.1	9	21.1	8	17.9
	Taiwan	27T	10.1	36	12.0	51	7.7	56	4.2	51	3.3
	Thailand	31T	9.0	20	18.0	20T	16.7	25	11.5	20T	9.3
Vietnam	19	12.8	21	17.8	22T	16.4	37T	8.0	23	8.4	
	Total		10.4		15.6		15.1		12.7		9.9
Latin America & Caribbean	Argentina	17	14.6	13	23.3	14	20.9	14	17.1	22	9.2
	Barbados	7	21.9	8	27.5	10	24.3	11	19.1	16	9.9
	Brazil	8	20.8	10	26.2	11	22.7	13	17.3	13	13.2
	Chile	12	17.2	6	30.8	5T	30.7	6	26.2	6	21.0
	Colombia	9	20.3	12	23.9	8	27.5	8	23.2	9	15.5
	Ecuador	1T	27.9	3	38.9	3	35.5	2	35.1	3	25.8
	Guatemala	13	16.4	17	21.0	17	18.1	15	16.3	14	11.9

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INTRAPRENEUR
FEAR OF FAILURE
fear of failure
OPPORTUNITY
ENTREPRENEUR
ESTABLISHED
ENTREPRENEUR
OPPORTUNITY
INNOVATION
ECONOMIC DEVELOPMENT

REGION	ECONOMY	18 – 24 years		25 -34 years		35 – 44 years		45 -54 years		55 -64 years	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Mexico	20	12.7	9	26.8	9	25.6	10	20.2	11	14.7
	Panama	29T	9.9	28	14.2	27	14.5	19	13.6	17	9.8
	Peru	6	23.9	11	25.6	12	22.1	12	18.5	10	15.2
	Puerto Rico	40T	6.7	38T	11.4	35T	10.6	35	8.6	45	4.3
	Uruguay	23	11.6	19	18.4	15T	19.2	21	13.1	31T	6.2
	Total			17.0		24.0		22.6		19.0	
Europe	Belgium	52T	3.4	43	9.9	43	9.0	53T	5.0	53	2.9
	Bulgaria	50	4.4	59	3.8	59	4.9	58	3.8	59	0.9
	Croatia	36	8.0	41	10.8	37	10.5	47	6.4	52	3.0
	Estonia	16	14.7	15	21.5	19	17.1	43T	7.3	41T	4.6
	Finland	48	5.2	49	8.6	39T	9.7	52	5.2	43T	4.4
	Germany	49	4.6	56	6.3	58	5.0	50	5.4	56T	2.0
	Greece	55T	2.9	51T	7.3	53	6.9	31	9.9	36	5.7
	Hungary	31T	6.7	42	10.3	41	9.2	23	7.8	24T	5.0
	Ireland	40T	9.0	50	8.4	42	9.1	41	12.5	39	7.6
	Italy	45	5.9	55	6.8	57	5.1	57	3.9	50	3.4
	Latvia	14	16.0	14	22.3	18	17.6	32	9.6	46T	4.2
	Luxembourg	31T	9.0	35	12.1	33T	11.4	30	10.0	27	7.2
	Macedonia	47	5.3	47	9.1	47	8.7	51	5.3	60	0.7
	Netherlands	39	7.3	44T	9.7	50	7.8	45	7.2	46T	4.2
	Norway	60	0.0	51T	7.3	56	6.4	42	7.6	38	5.2
	Poland	29T	9.9	32	13.1	35T	10.6	36	8.3	48	3.9
	Portugal	38	7.5	34	12.2	33T	11.4	34	9.0	33T	6.0
	Romania	18	14.2	31	13.6	29	14.0	48	6.0	31T	6.2
	Slovakia	21T	12.1	33	12.7	30	12.8	43T	7.3	49	3.5
	Slovenia	57	2.8	38T	11.4	54	6.8	53T	5.0	56T	2.0
Spain	52T	3.4	54	7.1	48	8.4	53T	5.0	55	2.2	
Sweden	46	5.6	46	9.3	52	7.3	46	7.0	33T	6.0	
Switzerland	54	3.1	48	8.8	39T	9.7	39T	7.9	40	4.9	
United Kingdom	51	3.9	51T	7.3	44T	8.9	39T	7.9	37	5.4	
Total			6.9		10.4		9.5		7.1		4.2
North America	Canada	11	18.2	23	16.6	25	15.8	18	14.5	18T	9.5
	USA	25T	10.2	29T	13.8	20T	16.7	27T	10.6	26	7.4

Global Entrepreneurship Monitor Romanian Report 2015



REGION	ECONOMY	18 – 24 years		25 -34 years		35 – 44 years		45 -54 years		55 -64 years	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Total		14.2		15.2		16.3		12.5		8.4

Source: Kelley et al., 2016, pp. 129-130



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Appendix 3 Ranking of entrepreneurial motivations for TEA by region, 2015

REGION	ECONOMY	Necessity-driven (% of TEA)		Opportunity-driven (% of TEA)		Improvement-driven opportunity (% of TEA)		Motivational index*	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
Africa	Botswana	8	35.6	53	61.9	31	50.1	46T	1.4
	Burkina Faso	20T	27.5	35	72.0	49	37.3	46T	1.4
	Cameroon	15T	29.8	51	64.1	47T	37.5	48	1.3
	Egypt	5	42.4	56	57.3	55	33.5	59	0.8
	Morocco	18	28.4	40	69.2	38	43.2	42T	1.5
	Senegal	25	27.1	36	71.8	25	51.9	28T	1.9
	South Africa	12	33.2	48	65.7	47T	37.5	50T	1.1
	Tunisia	43	18.0	20	79.3	9	64.1	16	3.6
	Total			30.2		67.7		44.4	
Asia & Oceania	Australia	55	12.7	4T	85.1	5	66.0	5	5.2
	China	9	34.7	50	64.3	45	38.9	50T	1.1
	India	39T	18.9	22	78.7	54	34.3	31T	1.8
	Indonesia	38	19.0	16	80.3	50	36.5	28T	1.9
	Iran	17	28.8	44	67.5	32	48.5	33T	1.7
	Israel	56	12.4	19	79.4	41T	40.9	17	3.3
	Kazakhstan	20T	27.5	41	68.9	60	24.0	55T	0.9
	Korea	32	24.4	26	74.6	11	62.1	21	2.6
	Lebanon	24	27.4	34	72.3	14	57.3	25T	2.1
	Malaysia	52T	13.7	1	86.3	3	67.0	6	4.9
	Philippines	26	25.6	29T	73.7	39	41.6	38T	1.6
	Taiwan	49	14.9	4T	85.1	16T	56.5	13	3.8
	Thailand	44	17.2	10	81.2	1	75.9	9	4.4
	Vietnam	7	37.4	52	62.6	13	57.9	42T	1.5
Total			22.5		75.7		50.5		2.6
Latin America & Caribbean	Argentina	15T	29.8	45T	67.4	29	50.7	33T	1.7
	Barbados	47	15.2	12	80.8	16T	56.5	14T	3.7
	Brazil	4	42.9	57	56.5	33	47.8	50T	1.1
	Chile	27	25.3	45T	67.4	12	61.2	22	2.4
	Colombia	11	33.3	49	65.6	16T	56.5	33T	1.7
	Ecuador	14	30.6	42	68.8	52	34.6	50T	1.1

Global Entrepreneurship Monitor Romanian Report 2015



REGION	ECONOMY	Necessity-driven (% of TEA)		Opportunity-driven (% of TEA)		Improvement-driven opportunity (% of TEA)		Motivational index*	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Guatemala	2	45.8	58	53.5	43	40.8	55T	0.9
	Mexico	39T	18.9	21	78.9	20	55.5	20	2.9
	Panama	3	45.3	59	52.0	44	39.1	55T	0.9
	Peru	28	25.2	33	72.9	22	53.6	25T	2.1
	Puerto Rico	29	25.1	29T	73.7	40	41.4	38T	1.6
	Uruguay	42	18.2	13	80.6	21	53.7	18T	3.0
	Total			29.6		68.2		49.3	
Europe	Belgium	20T	27.5	54	60.2	37	44.3	38T	1.6
	Bulgaria	10	33.4	47	66.6	58	29.0	55T	0.9
	Croatia	6	40.1	55	59.2	41T	40.9	54	1.0
	Estonia	52T	13.7	6	84.8	15	57.0	10T	4.2
	Finland	48	15.0	15	80.4	10	63.0	10T	4.2
	Germany	45T	17.1	17	80.2	8	64.2	14T	3.7
	Greece	36	22.3	24	75.4	53	34.4	42T	1.5
	Hungary	35	23.2	18	71.6	30	50.5	23	2.2
	Ireland	37	19.3	37	79.8	46	38.5	27	2.0
	Italy	41	18.7	25	74.7	57	30.0	38T	1.6
	Latvia	45T	17.1	14	80.5	26	51.4	18T	3.0
	Luxembourg	59	9.3	2	86.2	24	52.2	4	5.6
	Macedonia	1	52.1	60	42.1	59	26.7	60	0.5
	Netherlands	50	14.7	8	81.8	7	65.3	8	4.5
	Norway	57	10.6	9	81.5	4	66.4	2	6.3
	Poland	19	28.1	38T	69.3	34	46.4	33T	1.7
	Portugal	31	24.5	28	73.8	51	35.9	42T	1.5
	Romania	20T	27.5	38T	69.3	56	33.2	49	1.2
	Slovakia	13	31.1	43	68.4	27	51.3	33T	1.7
	Slovenia	34	23.7	32	73.0	35	44.9	28T	1.9
Spain	30	24.8	31	73.5	36	44.5	31T	1.8	
Sweden	60	9.2	23	76.7	23	52.6	3	5.7	
Switzerland	58	10.1	3	85.4	6	65.8	1	6.5	
United Kingdom	33	23.9	27	74.3	28	51.2	25T	2.1	



REGION	ECONOMY	Necessity-driven (% of TEA)		Opportunity-driven (% of TEA)		Improvement-driven opportunity (% of TEA)		Motivational index*	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Total		22.4		73.7		47.5		2.8
North America	Canada	54	13.5	11	81.1	19	55.9	12	4.1
	USA	51	14.3	7	82.2	2	69.0	7	4.8
	Total		13.9		81.7		62.5		4.5

Note: * The Motivational Index represents the percentage of TEA that is improvement-driven opportunity motivated, divided by the percentage of TEA that is necessity motivated.

Source: Kelley et al., 2016, pp. 125-126



Appendix 4 Ranking of societal values of entrepreneurship by region, 2015

REGION	ECONOMY	Entrepreneurship as a Good Career Choice		High status to successful entrepreneurs		Media attention for entrepreneurship	
		Rank/54	Score	Rank/54	Score	Rank/54	Score
Africa	Botswana	18	70.1	6	82.0	7	76.2
	Burkina Faso	8T	73.8	4	83.4	21	67.3
	Cameroon	28	61.1	35	64.8	23	64.5
	Egypt	10	73.6	11	79.6	34	58.5
	Morocco	17	70.6	45	54.6	41	52.2
	Senegal		-		-		-
	South Africa	8T	73.8	15	76.1	11	72.2
	Tunisia	16	71.1	19	72.1	47	48.3
	Total			70.6		73.2	
Asia & Oceania	Australia	36	56.4	21	70.1	10	72.3
	China	22	65.9	13	77.6	6	77.2
	India	50T	39.3	53	46.6	52	39.4
	Indonesia	6	74.4	7	81.4	4	79.4
	Iran	37	56.3	5	82.3	35	58.3
	Israel	23	64.5	1	86.2	37T	54.8
	Kazakhstan	4	76.9	3	83.9	3	80.0
	Korea	52	38.0	47	53.5	26	61.5
	Lebanon		-		-		-
	Malaysia	50T	39.3	50	51.0	24	63.9
	Philippines	5	74.6	14	76.2	2	81.5
	Taiwan	7	74.0	39	62.7	1	85.6
	Thailand	15	71.5	27	69.4	9	72.5
	Vietnam	11	73.3	16	75.8	8	73.5
Total			61.9		70.5		69.2
Latin America & Caribbean	Argentina	25	62.1	48	52.9	22	66.7
	Barbados	19T	69.6	23T	69.8	25	61.6
	Brazil	3	77.7	9	80.1	15	69.6
	Chile	19T	69.6	34	64.9	30	60.4
	Colombia	13T	72.3	23T	69.8	12	71.7
	Ecuador	26	61.6	32	67.1	5	77.3
	Guatemala	1	95.6	10	79.8	29	60.6

Global Entrepreneurship Monitor Romanian Report 2015



REGION	ECONOMY	Entrepreneurship as a Good Career Choice		High status to successful entrepreneurs		Media attention for entrepreneurship		
		Rank/54	Score	Rank/54	Score	Rank/54	Score	
	Mexico	46	49.3	49	52.0	51	40.5	
	Panama		-		-		-	
	Peru	13T	72.3	26	69.7	16T	68.1	
	Puerto Rico	54	16.7	52	47.6	16T	68.1	
	Uruguay	32	58.8	43	56.7	32	59.9	
	Total			64.1		64.6		64.0
Europe	Belgium	38	54.2	46	54.5	39	54.7	
	Bulgaria	34T	57.5	20	71.5	44	49.3	
	Croatia	27	61.5	54	42.3	48	47.5	
	Estonia	40	53.4	40	62.6	45	49.1	
	Finland	53	33.2	2	84.9	16T	68.1	
	Germany	44T	50.8	17	75.7	43	49.8	
	Greece	29T	60.9	31	67.8	53	38.0	
	Hungary	43	48.4	8	68.4	19T	33.4	
	Ireland	47	52.6	30	80.3	54	67.4	
	Italy	29T	60.9	28	69.0	46	48.5	
	Latvia	34T	57.5	41	58.2	37T	54.8	
	Luxembourg	48	44.1	29	68.8	50	44.0	
	Macedonia	21	67.1	42	57.1	14	71.1	
	Netherlands	2	79.2	36	64.5	36	57.7	
	Norway		-		-		-	
	Poland	31	60.5	44	55.7	42	51.5	
	Portugal	24	63.4	38	62.9	13	71.6	
	Romania		12	72.4	18	75.1	19T	67.4
	Slovakia	44T	50.8	37	64.2	40	54.0	
	Slovenia	39	53.7	22	70.0	31	60.3	
	Spain	41	53.2	51	48.4	49	46.9	
Sweden	42	52.7	23T	69.8	27	61.3		
Switzerland	49	40.0	33	66.5	33	59.5		
United Kingdom	33	57.8	12	79.2	28	61.1		
Total			55.9		66.0		55.1	
North	Canada		-		-		-	



REGION	ECONOMY	Entrepreneurship as a Good Career Choice		High status to successful entrepreneurs		Media attention for entrepreneurship	
		Rank/54	Score	Rank/54	Score	Rank/54	Score
America	USA		-		-		-
	Total						

Source: Kelley et al., 2016, pp. 116-117

Appendix 5 Ranking of self-perceived entrepreneurial opportunities, capabilities, failure and intentions by region, 2015 (% of population aged 18-64)

REGION	ECONOMY	Perceived opportunities		Perceived capabilities		Fear of failure		Entrepreneurial intentions	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
Africa	Botswana	7	57.8	4	74.1	55	18.9	2	61.9
	Burkina Faso	6	58.1	2	78.0	56	17.9	6	45.9
	Cameroon	4	60.7	5	73.1	53	23.9	13	33.1
	Egypt	27	46.1	46	41.5	45	29.5	11	36.8
	Morocco	44	34.3	32	47.6	16	41.1	14	30.2
	Senegal	2	69.9	1	89.0	59	15.9	1	66.6
	South Africa	35	40.9	38	45.4	44	30.3	44T	10.9
	Tunisia	19	48.8	16	59.9	20	40.3	17	28.8
	Total		52.1		63.6		27.2		39.3
Asia & Oceania	Australia	18	48.9	31	48.2	15	41.7	37	14.4
	China	47	31.7	58T	27.4	21	40.0	28	19.5
	India	41T	37.8	49	37.8	10	44.0	48	9.2
	Indonesia	17	49.9	10T	65.3	22T	39.5	18	27.5
	Iran	36T	40.3	12	62.0	27T	38.1	12	35.0
	Israel	10	55.5	45	41.6	4T	47.8	25T	21.6
	Kazakhstan	20	48.7	24	52.1	1	75.4	29	17.5
	Korea	59	14.4	58T	27.4	27T	38.1	56	6.6
	Lebanon	29	45.7	7	69.8	58	17.4	7	44.0
	Malaysia	49	28.2	57	27.8	49	27.1	57T	5.6
	Philippines	12	53.8	8	69.0	29T	36.5	9	37.1
	Taiwan	48	30.2	60	25.4	11	43.8	19	26.1
	Thailand	34	41.0	36	46.2	7	46.6	31T	16.7
	Vietnam	9	56.8	19	56.8	8	45.6	23	22.3
Total		41.6		46.9		41.5		21.6	
Latin America & Caribbean	Argentina	28	45.9	13	61.6	50	25.8	15	29.1
	Barbados	11	55.0	3	75.0	60	14.7	25T	21.6
	Brazil	31	42.4	18	58.3	9	44.7	21	24.4
	Chile	8	57.4	9	65.7	48	28.1	3	50.0
	Colombia	5	58.3	17	59.5	39T	33.2	4	48.2
	Ecuador	14	52.7	6	72.2	47	28.6	5	46.3



REGION	ECONOMY	Perceived opportunities		Perceived capabilities		Fear of failure		Entrepreneurial intentions	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
	Guatemala	24	47.9	15	60.0	43	31.0	10	36.9
	Mexico	30	44.7	37	45.8	31	36.4	39	13.7
	Panama	26	46.5	27	49.4	54	23.1	38	13.9
	Peru	15T	51.4	10T	65.3	51	25.5	8	38.6
	Puerto Rico	55	25.0	26	50.4	57	17.7	43	11.1
	Uruguay	39	39.2	14	61.0	52	24.4	20	25.4
	Total		47.2		60.4		27.8		29.9
Europe	Belgium	36T	40.3	54	31.9	3	48.5	44T	10.9
	Bulgaria	58	15.8	53	35.2	38	33.3	59	5.3
	Croatia	56	22.3	33	47.5	33	34.4	30	17.2
	Estonia	15T	51.4	41T	44.0	24	39.3	31T	16.7
	Finland	21	48.6	50	37.4	41	32.6	44T	10.9
	Germany	40	38.3	52	36.2	13	42.3	54	7.2
	Greece	60	14.2	34	46.8	6	46.9	51	8.3
	Hungary	38	25.3	40	38.7	17	41.8	35	14.8
	Ireland	54	39.4	48	45.0	14	40.9	36	14.6
	Italy	53	25.7	56	30.5	2	57.5	52T	8.2
	Latvia	43	34.7	28	49.1	26	38.6	24	22.2
	Luxembourg	23	48.2	41T	44.0	12	42.6	40	13.5
	Macedonia	41T	37.8	22	54.4	34	34.3	22	23.3
	Netherlands	22	48.4	47	40.6	39T	33.2	47	9.4
	Norway	3	68.9	55	30.8	37	33.4	60	4.8
	Poland	46	32.9	20	55.9	4T	47.8	27	20.0
	Portugal	50	28.1	29	48.9	18	40.8	33	16.2
	Romania	45	33.3	35	46.3	19	40.5	16	29.0
	Slovakia	51	26.4	23	52.4	36	33.7	34	15.7
	Slovenia	57	20.5	30	48.6	42	32.4	49	9.1
Spain	52	26.0	39	45.3	25	39.2	57T	5.6	
Sweden	1	70.2	51	36.7	29T	36.5	50	8.4	
Switzerland	32	41.8	41T	44.0	35	33.8	55	7.0	
United Kingdom	33	41.6	44	43.6	32	34.9	52T	8.2	
Total			36.7		43.1		39.1		12.8

Global Entrepreneurship Monitor Romanian Report 2015



REGION	ECONOMY	Perceived opportunities		Perceived capabilities		Fear of failure		Entrepreneurial intentions	
		Rank/60	Score	Rank/60	Score	Rank/60	Score	Rank/60	Score
North America	Canada	13	53.2	25	50.5	22T	39.5	42	11.6
	USA	25	46.6	21	55.7	46	29.4	41	12.4
	Total		49.9		53.1		34.4		12.0

Source: Kelley et al., 2016, pp. 120-121

Appendix 6 Entrepreneurial framework conditions, by region, 2015 (Weighted average: 1 = highly insufficient, 9 = highly sufficient)

Economy	Stage	1	2a	2b	3	4a	4b	5	6	7a	7b	8	9
Botswana	2	4.1	4.2	4.1	4.1	4.2	4.9	3.8	4.2	4.9	3.5	5.0	4.7
Burkina Faso	1	3.6	3.7	4.7	4.0	1.9	4.6	2.9	4.9	4.4	3.8	4.8	4.7
Cameroon	1	3.6	4.5	3.8	4.4	3.0	4.7	3.6	5.2	4.1	4.0	5.1	4.7
Egypt	3	3.5	3.3	3.1	3.3	1.6	3.1	2.9	4.2	5.1	3.8	6.3	3.8
Morocco	3	4.3	3.6	3.6	3.8	1.8	3.3	3.1	5.0	4.7	3.7	7.0	3.7
Senegal	1	3.6	4.1	4.9	4.1	1.8	3.9	2.4	5.3	3.3	3.9	6.4	3.8
South Africa	3	4.0	4.1	3.1	3.0	3.1	4.2	3.4	4.9	4.5	3.9	5.9	3.4
Tunisia	3	4.2	4.1	2.7	3.6	1.7	3.4	2.8	5.8	6.9	2.9	6.7	4.1
Africa		3.8	3.9	3.7	3.8	2.4	4.0	3.1	4.9	4.7	3.7	5.9	4.1
Australia	5	4.0	3.7	4.2	4.2	3.7	4.2	3.7	5.1	4.7	4.7	6.5	4.8
China	3	4.9	5.8	4.4	4.4	2.6	5.0	4.1	4.3	7.2	4.3	6.9	5.0
India	1	5.7	5.5	3.9	4.5	4.1	5.1	4.3	5.0	5.7	4.8	6.2	5.5
Indonesia	3	4.9	5.1	4.4	4.8	4.4	5.9	4.9	4.8	6.2	4.6	5.2	5.8
Iran	2	3.3	3.8	3.3	2.1	2.8	3.4	3.0	2.8	5.9	3.1	6.6	3.7
Israel	5	5.1	3.7	2.5	3.9	3.0	4.3	4.4	5.6	4.1	3.5	6.4	7.4
Kazakhstan	4	3.6	5.3	4.5	4.3	3.5	4.3	3.1	4.8	6.0	4.1	5.9	5.0
Korea, Republic of	5	3.9	5.8	4.6	5.0	2.8	4.0	3.6	4.0	7.3	3.3	7.0	4.9
Lebanon	4	5.2	3.3	4.1	4.2	4.3	4.9	4.2	5.6	4.4	4.2	4.4	6.3
Malaysia	4	5.8	5.2	5.2	5.6	4.1	5.2	4.9	5.6	6.1	4.7	7.2	5.8
Philippines	2	5.1	3.9	2.9	3.6	5.0	6.3	4.1	5.2	6.1	4.1	5.5	5.7
Taiwan	5	4.7	4.4	4.5	4.1	2.9	4.2	4.1	4.4	5.8	4.2	7.3	4.8
Thailand	3	4.2	4.0	4.0	3.7	3.6	4.3	3.9	4.8	6.4	4.1	6.4	5.5
Vietnam	1	3.5	4.3	4.6	3.5	2.5	4.2	3.9	4.7	6.1	4.2	6.9	5.4
Asia & Oceania		4.5	4.6	4.0	4.1	3.4	4.7	4.1	4.7	5.9	4.1	6.3	5.3
Argentina	4	3.1	3.0	1.9	3.7	3.0	4.8	3.7	4.7	5.6	3.8	5.8	4.9
Barbados	4	3.1	3.7	2.5	3.5	2.6	4.5	2.9	4.8	4.4	3.6	6.1	4.3
Brazil	4	3.9	3.7	2.2	3.4	2.1	3.8	2.9	4.2	5.0	3.5	4.7	3.9
Chile	4	3.5	4.6	5.4	5.4	2.4	4.9	3.5	4.7	3.4	3.8	7.5	5.1
Colombia	3	3.2	3.8	3.4	4.3	2.9	5.3	3.5	4.1	4.1	4.2	6.2	5.2
Ecuador	3	3.4	4.7	3.2	4.4	3.7	6.2	3.7	4.9	3.7	4.2	7.6	5.8
Guatemala	3	2.8	2.6	3.2	3.3	2.1	4.6	2.8	4.2	3.2	3.3	6.1	4.3
Mexico	4	4.0	4.8	3.7	5.1	2.6	5.4	4.1	4.7	5.4	3.6	6.3	5.0

Global Entrepreneurship Monitor Romanian Report 2015

INTRAPRENEUR
FEAR OF FAILURE
fear of failure
early-stage entrepreneurship
OPPORTUNITY ESTABLISHED
FEAR OF FAILURE ENTREPRENEUR
OPPORTUNITY
INNOVATION ECONOMIC DEVELOPMENT

Economy	Stage	1	2a	2b	3	4a	4b	5	6	7a	7b	8	9
Panama	4	3.3	2.7	5.5	3.7	1.9	3.7	3.2	4.4	4.2	4.4	7.1	5.2
Peru	3	3.0	3.1	3.0	3.7	3.0	5.0	3.0	3.7	3.8	3.8	5.6	5.0
Puerto Rico	5	3.3	4.1	2.2	3.3	2.0	4.2	2.9	4.6	4.3	3.7	5.5	3.8
Uruguay	4	3.7	3.4	3.7	5.1	2.0	4.6	4.2	5.1	3.2	4.1	6.2	3.6
Latin America & Caribbean		3.4	3.7	3.3	4.1	2.5	4.8	3.4	4.5	4.2	3.8	6.2	4.7
Belgium	5	5.3	6.5	3.2	4.8	3.1	5.4	4.6	6.2	4.8	5.1	6.4	4.1
Bulgaria	3	4.4	2.9	4.8	3.4	2.6	4.2	3.6	5.2	3.6	3.9	6.8	3.5
Croatia	4	3.3	2.8	2.0	3.2	1.9	3.5	2.9	4.3	6.1	3.0	6.5	2.6
Estonia	5	4.9	3.8	4.9	4.9	4.2	4.8	4.5	5.2	5.2	5.1	7.5	5.7
Finland	5	4.3	5.4	4.9	4.6	3.9	4.2	3.9	5.7	5.4	4.6	7.6	4.5
Germany	5	4.3	4.3	3.9	5.6	2.7	4.1	4.0	5.9	4.5	5.2	6.4	4.2
Greece	5	3.0	2.9	2.3	2.8	2.7	4.6	3.8	4.5	5.0	3.1	6.1	3.6
Hungary	4	4.0	2.7	2.4	3.2	2.3	4.3	3.6	4.4	5.5	3.8	6.1	3.2
Ireland	5	5.4	4.9	4.8	5.9	3.6	4.9	4.6	6.1	3.9	5.2	6.8	5.4
Italy	5	4.0	3.1	2.4	3.3	3.0	4.3	3.9	4.3	4.3	4.2	5.1	3.5
Japan	5	4.2	5.0	3.7	4.1	2.3	4.2	4.5	3.5	6.5	4.3	6.9	3.8
Latvia	4	4.5	3.7	3.8	4.7	4.0	5.4	3.5	6.1	4.8	4.5	6.7	4.8
Luxembourg	5	4.1	5.3	5.6	6.0	3.5	5.4	5.4	6.0	3.8	5.5	6.8	4.1
Macedonia	3	4.0	4.0	4.6	4.4	3.6	4.9	4.1	5.1	5.7	3.7	6.5	4.1
Netherlands	5	5.7	5.4	5.8	5.8	4.9	5.6	5.1	5.9	5.0	6.0	7.4	5.7
Norway	5	4.2	3.7	4.3	4.4	4.1	4.1	4.2	5.5	5.2	4.2	6.8	4.7
Poland	4	4.7	4.6	3.4	4.6	2.5	3.9	3.5	4.5	6.4	4.6	6.8	4.4
Portugal	5	4.7	5.0	5.8	4.7	5.6	4.7	5.3	4.6	5.4	5.0	3.5	5.2
Romania	3	3.4	3.6	3.5	3.8	3.9	4.5	3.7	6.0	4.2	4.0	4.9	4.1
Slovakia	4	4.3	3.7	3.4	3.7	3.4	4.2	3.2	5.5	4.1	4.2	7.0	3.5
Slovenia	5	4.2	4.0	3.1	4.5	2.8	3.9	3.8	4.7	5.3	3.8	6.4	3.4
Spain	5	4.0	4.0	3.8	4.8	3.5	4.2	3.9	4.4	4.4	4.3	5.1	4.4
Sweden	5	4.7	4.0	3.9	4.6	3.8	3.9	4.0	5.1	5.7	4.5	7.5	5.0
Switzerland	5	5.3	5.7	5.8	5.9	4.9	6.2	6.2	6.3	4.5	5.7	7.9	5.8
Turkey	4	3.8	4.4	3.4	4.1	2.2	5.2	4.2	5.1	5.6	3.9	6.5	5.3
United Kingdom	5	5.4	4.6	4.4	4.5	4.0	5.0	4.2	5.0	5.0	4.7	5.9	5.3
Europe		4.4	4.2	4.0	4.5	3.5	4.6	4.1	5.3	4.9	4.5	6.4	4.4
Canada	5	5.2	4.7	5.2	5.0	4.1	5.3	4.3	6.3	3.8	4.9	7.0	5.9



Economy	Stage	1	2a	2b	3	4a	4b	5	6	7a	7b	8	9
USA	5	5.4	4.4	4.6	4.1	3.5	4.4	4.2	5.4	5.6	4.4	7.1	6.8
North America		5.3	4.5	4.9	4.5	3.8	4.8	4.2	5.9	4.7	4.6	7.0	6.4
GEM		4.2	4.2	3.9	4.3	3.1	4.5	3.8	4.9	5.1	4.1	6.3	4.7

Notes: Entrepreneurial framework conditions: 1 Entrepreneurial finance, 2a Government policies: support and relevance, 2b Government policies: taxes and bureaucracy, 3 Government entrepreneurship programs, 4a Entrepreneurial education at school stage, 4b Entrepreneurial education at post school stage, 5 R&D Transfer, 6 Commercial and legal infrastructure, 7a Internal market dynamics, 7b Internal market burdens or entry regulation, 8 Physical infrastructures, 9 Cultural and social norms.

Development stages: 1 = factor driven, 2 = transition to efficiency driven, 3 = efficiency driven, 4 = transition to innovation driven, 5 = innovation driven.

Source: Kelley et al., 2016, pp. 138-139

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