

International entrepreneurship in a network economy, mercato estero

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Introduction

International entrepreneurship has been made possible by globalization. Globalization fosters the increase in the flow of people, goods, services, finance and information across borders. This trend has provided the possibility for entrepreneurs to venture into the new markets. The attempted creation of a unified Global market has greatly promoted the expansion of the business opportunities worldwide and has brought together entrepreneurs from all over the world to commonly target attractive markets and sectors. With the emergence of the international markets, a lot of the entrepreneurs are concentrating on how they can maximize on the opportunities presented to them by the globalization of business transactions (Autio, 2007). International entrepreneurship by definition is the discovery, enactment, evaluation and exploitation of opportunities across national borders to create future goods and services (McDougall, Oviatt, 2003; Oviatt, McDougall, 2005, pp. 537-554). Entering into a foreign market for entrepreneurs is however not an easy task as it may appear. The move to dive into a new market requires that the entrepreneur must familiarize himself or herself with the culture and regulatory policies of the new business environment (Davidson et al., 2006, pp. 179-214). Thus the essential elements of implementing a successful international entrepreneurial activity are knowledge intensity, opportunity recognition and network (Oviatt, McDougall, 2005, pp. 537-554; Keupp, Gassmann, 2009, pp. 600-633).

Knowledge intensity is the knowledge generated from assimilating new knowledge about the foreign market, the local regulatory policies and operation within the organizations in the new environment.

The acquisition of foreign experiential knowledge therefore involves new ways of thinking (Autio et al., 2000, pp. 909-924) and the young firms and newly established entrepreneurs can acquire the knowledge faster than the matured firms and senior managers of MNCs. The knowledge about the international market

and operation can be obtained from both the internal top management team and their associated previous experience in the international markets (Reuber, Fisher, 1997, pp. 807-825; Zahra et al., 2005; Manolova et al., 2002, pp. 9-31), and external strategic alliances of the organization (Fernhaber et al., 2009, pp. 297-320), trade publications and industry experts (Aldrich, Martinez, 2001, pp. 293-311). The general situational uncertainty of international environment also reinforces international entrepreneurs to acquire capability development through learning (Autio et al., 2011, pp. 909-924) to overcome the newness of the international exposure.

Opportunity recognition on the other hand, is argued as recognition that results in a creation of viable new business (Ardichvili, Cardozo, 2000, pp. 103-119). **The opportunity is to be created through the prospection of creativity and the capability development** (Oyson, Whittaker, 2010). The differences in entrepreneurial performance arise from the quality of opportunities and the location associated with the opportunities, as well as creative mode of exploitation (Zahra et al., 2005). Both entrepreneurs' social context (de Koning & Muzyka, 1999), psychological quality such as risk taken propensity (Zahra et al., 2005) and self-efficacy developed in home cultures (Muzychenko, 2008, pp. 366-377) outlast the specific opportunities they develop and pursue. The asymmetry of information is said to be the main cause of opportunity recognition since not all economic actors receive new information at the exact same time, and such lags in timeliness creates opportunities for entrepreneurs (Shane, Venkataraman, 2000, pp. 217-226; Ellis 2010, pp. 99-127). Social stratification caused by the national differences in workforce influence the likelihood of these information asymmetries (Baker et al., 2005, pp. 492-504).

Use of network in international entrepreneurship

The use of network in international entrepreneurship is said to be a mediator to bridge the knowledge intensity and opportunity recognition (Mort, Weerawardena, 2006, pp. 549 – 572). Network might benefit the international new ventures to act a source to gather new resources (Coviello, Cox, 2006, pp. 113-132). Personalized social ties can facilitate the informational exchange that is particularly important in the market with inadequate institutional mechanism (Ellis, 2010, pp. 99-127). Harris and Wheeler (2005) found within the international entrepreneurial firms, business relationships are mostly based on informal social contacts and most of these relationships are rooted in social activities. According to Oviatt and McDougall (2005), entrepreneurs are most depended upon on strong ties at start up, and strong tie requires significant amount of emotional and trust investment. The establishment of network requires trust. Particularly when there's lack of institutional mechanism in some foreign markets, trust will be the most important source entrepreneurs can rely on (Peng, Shekshnia, 2001, pp. 95-110; Welter, Smallbone, 2006, pp. 465-475). Trust is also said to promote cohesion and unity of cooperative direction for launching the new ventures (Zahra et al., 2006, pp. 541-560) in the process of international entrepreneurial network activities. Smith and Lohrke (2008) argued that during the early stages of entrepreneurial activities, affective trust embedded in emotional ties helps entrepreneurs to identify crucial networks that facilitates the new opportunity recognitions. As firm grow steadily, cognitive trust that based on socioeconomic exchanges thus will dominant most of the network building to assure the sustainable growth of the firm. **The levels of trust deriving from institutional and cultural environments in which entrepreneurs are embedded also found to have influence on firm's networking process** (Zaheer, Zaheer, 2006, pp. 21-29). **A business partner from low trust society may prefer to invest in trust building and monitoring more than a business partner from the high trust society, and such difference may cause friction between the partners** (Zaheer, Zaheer, 2006, pp. 21-29).

Skills of global leaders and managers

Skills of global leaders and managers imply precise activities requiring both learning and practice in order to be accomplished completely. Each skill has at least three basic components. These are: personal traits – which are characteristic for each person individually, formal education – which is a result of regular education or additional knowledge innovation and experience – which is acquired over time, by practical work.

Due to the fact that there is a great number of various skills which global leaders and managers can acquire, there is a practical problem of their classification which is mentioned in many books and literature covering this field. In this work, we will pay attention to the following skills:

Communication skills;

Skill of forming and managing global teams and

Development of cultural diversities.

Communication skills

Communication is one of the most important global leader's skills affecting his/her success significantly. Good communication implies understanding of people and their styles, understanding of culture, timely information, correct thinking and assessment, participation in meetings, giving information to other people, understanding of method of giving information, sending informal messages, listening and positive thinking, etc.

The efficient intercultural communication is very important with regard to work in multicultural environment, as bad communication usually exists among people from different countries or of different race. Therefore, culture is a basis of communication process, while culture is transferred via communication. A successful global leader and manager is aware of these differences and he/she is flexible enough to adjust his/her communication style to the style which is most appropriate for another party.

Global leaders and managers have to be good in communication as they have big responsibility in ensuring good communication among members of the organization. In order to be a good leader, the one has to improve many forms of communication continuously, such as: non-verbal communication, listening, consultations, speech and presentation, writing, etc.

The ability of managers and leaders to communicate efficiently and overcome cultural boundaries determines the the international business transactions' success to a great extent.

Cultural factors are interconnected with communication process and therefore people's behavior depends on cultural environment in which they were raised. Culture is a basis, i.e. foundation of communication and cultural differences create differences in communication as well. The bigger cultural differences between the persons who communicate, the bigger the possibility of having difficulties in understanding each other.

Language barriers can be a cause of bad communication in global business, this bad communication arising from the individual's inability to speak local language, from bad or too literal translation, speaker's inability to understand body language or meaning of certain symbols, etc. Misunderstanding exists even in the countries in which the same language is spoken and this problem can exist in one country between various sub-groups and sub-cultures, too. (Ricks, 1983, p.89).

Non-verbal communication is also very important skill which global leaders and managers have to possess, having in mind the fact that people often believe in what they see rather than in what they hear (Pfeiffer, 1998).

Cultural differences affect understanding of distance, i.e. space which is considered to be a territory that has to be protected (Sussman, Rosenfeld, 1982, pp. 66–74).

Efficient communication and therefore cooperation which crosses national boundaries often depends on informal understanding between the parties, which is based on confidence they have in each other.

However, the significance of confidence and the manner in which it is gained differ in various societies. For example, in Arabic countries, business transactions are based on long-term relationships based on confidence unlike formal contracts and relationships which are typical for the United States of America.

The parties having confidence in each other understand each other as well.

This understanding has numerous advantages in business, including encouragement of both parties to overcome cultural differences and make the problem smaller. This enables them to deal with unforeseen circumstances with less conflict than in case of formal contracts and to make open communication easier before exchanging ideas and information.

Global leaders and managers have to be good listeners, advisors, speakers and presenters. In global business, they have to know intercultural context well and they must have positive relationship with people from various cultural environments.

Skills of forming and managing global teams

The appearance of virtual teams represents an answer to various challenges that 21st century organizations face (Radović-Marković et al., 2015). According to mentioned authors “*the appearance of virtual teams was determined by fast changes in business environment, market globalization, as well as the increase in possibilities of inter-organizational cooperation*”, p. 24).

The term “*global managerial teams*” implies a group of managers from several countries who have to cooperate within the group so that they each manager can achieve optimal success and goals (Dyer, 1987).

Global teams consist of managers and technical staff who belong to different cultures and who perform business activities all over the world. The ability of the team to work together efficiently is very important for global company’s success (Reich, 1987, pp. 77–88).

The teams that global managers and leaders lead need a set of values. In line with this, “high-performance global companies must create the inclusive culture where people feel that their interests and those of the company are much the same the culture where people are self-challenged and oriented around a clear purpose” (Radović-Marković, 2008, p. 6).

In order to achieve individual and common goals of team members, a global team has to provide: means for development of common corporate culture, development of global perspective, coordination and integration of global organization, as well as to meet the requirements of the local market. Namely to satisfy consumer needs, global companies and their competition from all over the world must have global teams for strategic development of organization as a whole and of local units.

The process of developing efficient global teams consists of four characteristic phases. (Solomon, 1998, p. 15) In phase I, each team member presents his/her expectations, culture and values. In phase II, team members go through the period of self-awareness, during which they learn to respect the culture of other team members. Phase III is characterized by development of confidence between team members and in phase IV team members begin to cooperate. Global companies have realized that global teams are important for their success in the world market.

Development of cultural differences

The ability of solving the problem of diversity is a special skill which is required from global leaders and managers. Each culture has some qualities which can contribute to overall success of the organization.

Respecting differences implies respect for various skills of the people coming from different environments. In that sense, a manager has to create a climate in which each employee is respected and which contributes to his/her good business results. A critical skill for managing of people and processes in other countries is cultural understanding, i.e. knowledge of cultural differences. Managers and leaders often neglect the significance of cultural factors, so that many mistakes that are made in global operations can be attributed to the lack of understanding of different culture. Company reports and studies on management show that the lack of cultural sensibility is one cause of global organizations' failure.

Cultural sensibility implies awareness and honest care for the other individual's culture and requires the ability of understanding of perspective of the people living in other societies (Black, Mendenhall, 1990, p. 142).

Conclusion

In general, international entrepreneurship is a study between international business and entrepreneurship (Jones, Coviello, 2005, pp. 284-303). To many scholars, the current international entrepreneurship literatures however focus more on the nature of international business than the actual studies of entrepreneurship (Keupp, Gassmann, 2009; Fletcher, 2004, pp. 647-661). The role of entrepreneur as an individual unit has been conspicuously under explored (Acs et al., 2003, pp. 97-107). As advocated by Oyson and Whittaker (2010), putting entrepreneurs back to the studies of international entrepreneurs should be on the top research agenda. In the human science tradition, respecting individuals as unique and rational unit is the core of modern economic research (Nida-Rümelin, 2009). Therefore, the close look at the personal characteristics of the international entrepreneur will contribute to the in-depth theoretical understanding of international entrepreneurship. Particularly, the skills and competence that associates with the activities of international entrepreneurship should be thoroughly researched.

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