

ROMANIAN ENTREPRENEUR PROFILE AND BEHAVIOR

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ABSTRACT

The paper presents the results of a research conducted between April and June 2010 and offers an exhaustive approach on the characteristics and behaviour of the Romanian entrepreneur, a lot of aspects being analysed which are not present in other researches. Also, the research presented the characteristics of the entrepreneurs which did not obtain profit, being underlined the differences in comparison to the average of the sample. This way, it was elaborated the portrait of the performant entrepreneur, starting from the convention that the profit measures the performances of a firm.

The research conducted in the period April-June 2010 on a sample of 233 firms in all fields of activity, age categories and regions of development showed the following significant aspects:

- On levels according to the age, the highest percentages are represented by the owners aged between 45-60 years (35,14%) and those aged between 25 and 35 years (28,83%), and at the opposite corner there are the persons aged under 25 years (2,70%);
- The medium age of the entrepreneurs is 42,75 years;
- Considering the professional preparation, we observe that the persons with technical skills have the highest percentage (39,55% of the total), considerably surpassing the number of entrepreneurs trained in the economic field (29,85%). 11,94% of the entrepreneurs which were part of the sample have socio-humanistic skills and 18,66% other professions;
- Grouping the entrepreneurs according to the sex shows the prevalence of the males (68,38%);
- Considering the marital status, we observe that the prevalence of the married entrepreneurs;
- Considering the number of children of entrepreneurs, we observe that 30,77% of the businessmen have two children and 29,91% of the persons have one child; an important percentage is of those who do not have any children (34,19%);
- From the point of view of the studies followed, the most entrepreneurs have superior preparation (69,71%) and 29,46% have medium studies (high school);
- Among the persons with superior studies, 8,69% followed various post-university studies, 10,42% have a master's degree and 2,27% have a doctorate degree;

- If we group the entrepreneurs considering the training courses they followed, we observe that 7,58% of these were trained in Romania and 3,53% attended training programmes abroad;
- From the point of view of the entrepreneurial experience, we notice that the greatest percentages are represented by the persons who initiated economic entrepreneurial activities in the last 5 years (30,08%) and respectively those which have between 5 and 10 years experience as entrepreneurs (27,64%). The smallest percentage is represented by the entrepreneurs which have over 20 years of experience – 1,63%;
- The average experience as entrepreneur of the persons interviewed is 9,87 years;
- The average professional experience before starting the business is 9,21 years for the persons interviewed;
- 59,54% of the entrepreneurs are the first born in their family;
- 60,33% of the entrepreneurs have first and second degree relatives which own businesses;
- 56,20% of the respondents involve family members in the activity of the firm;
- In 51,24% of the firms there is only one shareholder, in 42,98% there are 2-3 shareholders, 3,31% have 3-5 shareholders and 2,48% have more than 5 shareholders;
- The most important motivation of the Romanian entrepreneur for initiating his/her own business is the will to be one's own boss/to be independent: 56,20% of the respondents selected this answer;
- 52,89% of the respondents decided to initiate a business when they identified an opportunity and 45,45% of persons became entrepreneurs when the revenues they had were insufficient in comparison to their needs
- For 74,38% of the entrepreneurs their own financial resources represented the financial basis to start the business, 21,49% resorted to bank credits and 17,36% used the financial resources of their family and friends;
- If we consider the field of activity of the entrepreneurs before the start of the business, we observe that one third of the respondents worked in a firm from other field of activity (32,26%) and a quarter worked in a firm in the same field of activity. 18,55% of entrepreneurs worked in a state institution in another field of activity and 16,49% in a state institution in the same field;
- The greatest satisfaction as an entrepreneur is the independence, the fact that they became “their own boss”, aspect mentioned by 58,68% of the persons which were part of the sample. 37,19% of the entrepreneurs are satisfied that they can offer on the market a quality product/service; the financial gain is placed on the third place, being mentioned by only 35,54% of entrepreneurs;
- If we analyze the amount of every day work of the entrepreneurs we observe that the greatest percentage is of those who work between 10 and 12 hours a day (40,68%), followed by those who work between 8 and 10 hours a day (38,14%);

➤ The structure of time management of entrepreneurs is: meetings (18,86%), business meetings (13,45%), phone calls (12,80%), administrative aspects (10,24%), problem solving (9,97% of work time) etc.;

➤ The modalities of learning the entrepreneurs use to improve the performances of the firms: discussions with business partners and other entrepreneurs (49,59%), individual study (46,28%), own experience (42,98%); a percent of only 30,58% use the training as a means of learning and resorting to consultants was selected by only 23,97% of the respondents;

➤ The answers concerning the domains in which the entrepreneurs resorted to consultants are as follows: accounting consultancy is on the first place with a percentage of 46,28%, the legal aspects represent 44,63% of the options of the entrepreneurs regarding the consultancy and the consultancy in the field of receiving grants in placed on the third place, with 28,10%;

➤ The majority of businesses had as an element of novelty on the local market improving a product or a service (32,23%), followed by the use of new technologies (22,31%), the introduction of a new product or service on the market (19,83%), the introduction of new methods of work with the customers (16,53%), creation of new markets (14,05%) or the introduction of new managerial approaches (11,57%);

➤ In concern with the objectives of the entrepreneurs in Romania for the following two years, the results of the research show that in a great part of the firms (53,72%) the main objective was settled to be the moderate expansion of the business, in 38,84% of the businesses the major purpose for the following two years is the maintenance of the business at the current dimensions and in 8,26% of the firms it is wanted the rapid growth of the business;

➤ The analysis of the answers concerning the economic objectives aimed at by the interviewed entrepreneurs shows the following aspects: the profit represents the highest percentage (63,64%) among the main economic objectives, followed by the turnover (38,84%), the work productivity (33,06%), the rate of profit (19,01%), the rate of efficiency of the invested capital (16,53%) and the market share (16,53%);

➤ Considering the social objectives of the Romanian entrepreneurs we notice that the satisfaction of customers through the quality and price of the products/services offered is on the first place on their list of priorities, with a percent of 84,30%, followed by the salaries and working conditions of the employees (42,15%), long term relationships with the suppliers in order to obtain preferential conditions (28,10%), the social responsibility (21,49%);

➤ Foreign languages known by the entrepreneurs: English is known by the majority of them (73,55%), followed at a considerable distance by French (41,32%);

➤ Considering the sporting activities practiced by the Romanian entrepreneurs in their spare time, we notice the high percentage of those who do not practice any kind of sports (24,79%). Out of the ones who practice sports, the

majority prefer swimming (26,45%), tennis (20,66%), fishing (16,53%), winter sports (15,70%), football (14,88%) and jogging (12,40%);

➤ The most important elements which characterize the successful entrepreneurs are: 42,15% situate on the first place the capacity to take risks, followed by the active involvement in the activities of the firm – 39,67%. The profound knowledge of the domain of activity of the firm represent an important element for 38,02%, followed by an almost similar percent 37,19% by the capacity to solve problems. Other answers refer to: organizational abilities 24,79%, communication abilities 23,14%, negotiation abilities 21,49%, perseverance in attaining the objectives 19,83%, the same percent (19,83%) being allocated to the abilities to work in a team, major attention to details 17,36%;

➤ The elements which characterize the respondents: an equal percentage of 44,63% place two answers on the first place and these are the active involvement in the firm activities and the capacity to solve problems, followed with a percent of 38,84% by the capacity to take risks; the profound knowledge of the domain of the firm has a percent of 33,88% of the respondents options, the communication abilities and the attention to details have an equal percentage of 23,97% and an equal percentage of 23,14% is also represented by the answers concerning the perseverance in attaining the objectives and the organizational abilities.

➤ In the characterization of the flaws, deficiencies of the Romanian entrepreneur, the answers are: 59,50% of the respondents situate on the first place the incapacity to take decision in due time, followed by the lack of knowledge necessary to manage a business (47,93%), superficiality 45,45%, deficient time management 42,98%, impulsiveness 27,27%, insufficient communication abilities 23,97%, deficient negotiation abilities 22,31%, incapacity to take risks 21,49%, not knowing foreign languages 12,40%;

➤ The poor time management is the main deficiency mentioned by the respondents referring to their own deficiencies, with a percentage of 27,27%, followed by impulsiveness 19,01% and insufficient communication abilities (13,22%), superficiality 10,74%, poor negotiation abilities 8,26%.

Therefore, the research conducted in the period April-June 2010 offers a broad image of the characteristics and behavior of the Romanian entrepreneur, being analyzed a multitude of aspects which cannot be found in other researches. Also, the research presented for certain elements the characteristics of the entrepreneurs which gained profit, thus being shown the differences in comparison to the average of the sample. Thus, it was created the portrait of the performant entrepreneur, starting from the convention that the profit measures the performances of a firm.