

GLOBAL TRENDS IN ENTREPRENEURSHIP USING 4 R'S MODEL

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Abstract: *The study is based on 250 persons engaging in the manufacturing trading and services sectors in Small and Medium Industries. A discussion on survey about the business profile and leader entrepreneur is also providing. The study investigates the common reasons that motivate Romanian and Albanian women to become and work as entrepreneurs along with the constraints they face when starting and developing their business activity. In this context, theoretical arguments and empirical findings are investigated in order to draw a picture of the factors that motivate women to start their own business, as well as factors that limit the growth and development of women entrepreneurship. This paper examines the factors who can influence person needs to become entrepreneurs. Motivation factors are classified into economic, work, individual, entrepreneurial and social core. Description analyses revealed some important aspects and motivation factors for production activities.*

Keywords: *quality management, change management, entrepreneurship, growth Small and Medium Enterprises, leader, production management.*

JEL: *M50, M54, O15, O19*

1. Introduction

Therefore, this paper aims to provide reasons on why some persons choose to become entrepreneurs by examining the motivational factors which differ among business market.

In this context, theoretical arguments and empirical findings are investigated in order to draw a picture of the factors that motivate women to start their own business, as well as factors that limit the growth and development of women entrepreneurship in transitional countries.

The 4R model provides a conceptual framework consisting of four comprehensive macro categories of leadership attitudes and behaviours and dynamics interaction of these categories.

The model provides a conceptual home for the critical variables in the transformational leadership process.

These variables are organized in four categories: relationship, reputation, research and recognition.

Similarly, the 4R's model details and organizes a vast amount of information of transformational management from theory to practice and presents it in a clear and accessible manner.

The model only approximates how transformational management works in economic organizational life.

Specifically, the 4R picture is:

1- **research** access to key information about markets, customers and competitors to improve marketing focus message;
2- **relationship** one to one or one to many relationships with individual customers that generate sale opportunities, the virtuous leader is depicted in specific organization context
3-**reputation** interest in company by target market based on company's and market understanding of it's capabilities and expertise;
4-**recognition** awareness of company and its value proposition by market position, results the attitudes and actions of the virtuous leader are depicted as linked to outcomes over time.
Each R category is discussed in light of the contemporary economical situation on Romanian and Albanian market.
The benefits of the 4R are explored and present the real situation on economical market and management production like a problem or a false fake?

2. Study case

This research was designed to identify the motivational differences between production or services and trends in entrepreneurship.
The study investigates the reasons that motivate women to become and work as entrepreneurs along with the constraints they face when starting and developing their business activity.
In this context, theoretical arguments and empirical findings are investigated in order to draw a picture of the factors that motivate persons to start their own business, as well as factors that limit the growth and development of entrepreneurship in transitional countries like Albania and Romania.
This paper highlights the situation facing women entrepreneurs and describes the various forms, establish and develop their own business.

2.1. Methodology

The sample was draw for people involved in business activity in Baia Mare and Durres city. A total of 500 respondents were contacted. Respondents were surveyed using a forth part structured questionnaire.

Part 1-measured demographic variables using single items such as age, educational background, type of business activity, type of organization.

Part 2- measured the factors which were classified into entrepreneurial core, work core, individual and social core relevant for leadership style of the respondent person.

Part 3- measure the profile of leadership, the attitude in different situation of the manager, and identify the type of leader.

Part 4- measure the perception for new development and new orientation into organization, identify some individual suggestions.

The internal consistency of the measure and the results indicate that the items in measuring the leadership dimensions are reliable.

Also the survey makes radiography upon the economic activity and gives an answer to the organization problems.

2.2. Results

Taking in consideration Harrison, R, (2008) article we used comparable data from two European countries.

Out of 250 respondents for each city, majority of them are aged educated that's the motive of involvement in his own business (26% baccalaureate and 57% academic studies).

Women entrepreneurs were found to be more matured in terms of age and more educated, here fore, the educated generation is more interested in becoming entrepreneurs.

The importance of education for successful entrepreneurship has been well established.

A comparison of educational qualifications over a period of time (pre and post 2000) indicates a progressive trend of more MBAs, post graduates, professionals and individuals with work experience becoming entrepreneurs.

The respondents are also found to be very well equipped with work experience, to desire to have own preferred working style and change in working style may explain why they have decided to become entrepreneurs.

The demographic profile of entrepreneur show that women are basically below the age of forty, between 20-40 age old, (34%) Figure 1.

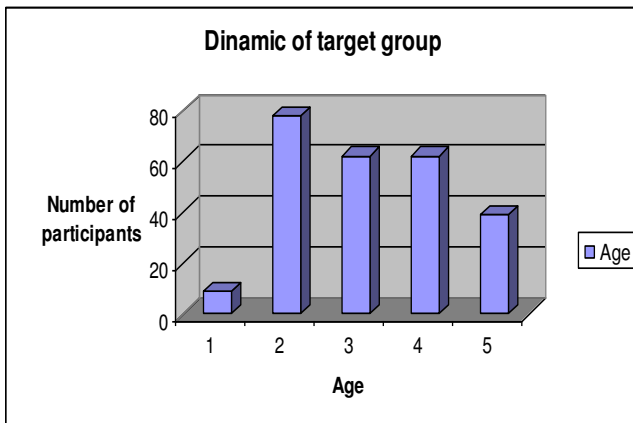


Figure 1. Evolution of age entrepreneur

Archibugi (2001), Bogliacino and Pianta (2009, 2010) identify Pavitt's taxonomy groups (1984) that describe the level of technological opportunities in industry and the influence of innovation and new technology for future development and harmonization with market customers needs.

The ups and downs of aggregate demand have been shown to affect changes in production and demand for labor.

Taking in consideration the survey results, a classification can be easy done, the economical activities can be structure in the category of supplier dominated industries, here we include traditional sectors food, textiles, clothing, hand makes products, training and other activities.

Evangelista and Savona (2003) present the importance of the relation between innovation and skills in services and the direct relation between the necessity of structural change and economic dynamics.

It is not surprising that the number of women entrepreneur gas increased and growing interests in privatisation, self employment and business oriented employment, all this facilitated by the growth in various sectors such as general commerce, personal and public services, training and consultancy and other (Figure 2).

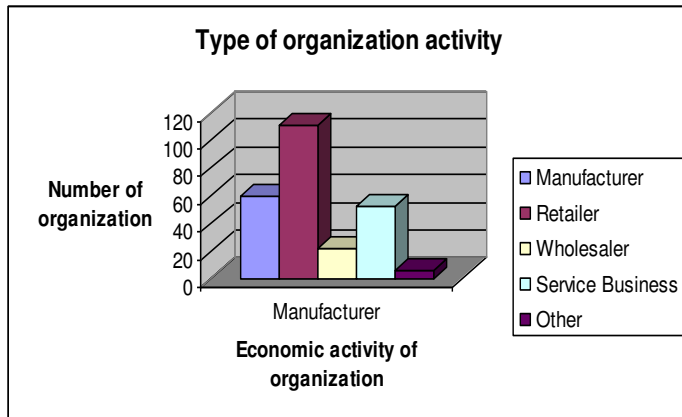


Figure 2. Type of business activity

This is to ensure that entrepreneurs are not left out the process of national and economic development, particularly in important sectors of Small and Medium Enterprises (Figure 3).

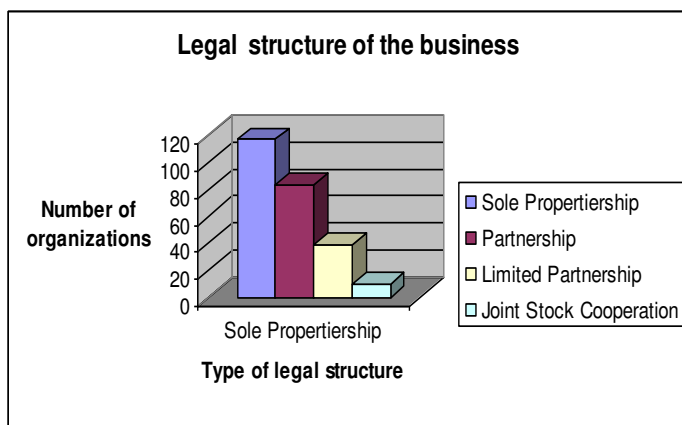


Figure 3. Legal structure of the business

The diversity in the patterns of employment in the manufacturing sector is documented in this paper also where the dynamics of employment depends of economic cycle Boca G.D.(2011)

It is clear that government has been involved and concerned about unemployed person including women entrepreneur development in the last period. Desire for greater life flexibility, seeking challenges, fulfilling a long-felt desire or escaping from organizational glass ceiling is also among the motivation factors that women to start-up their own businesses (Figure 4).

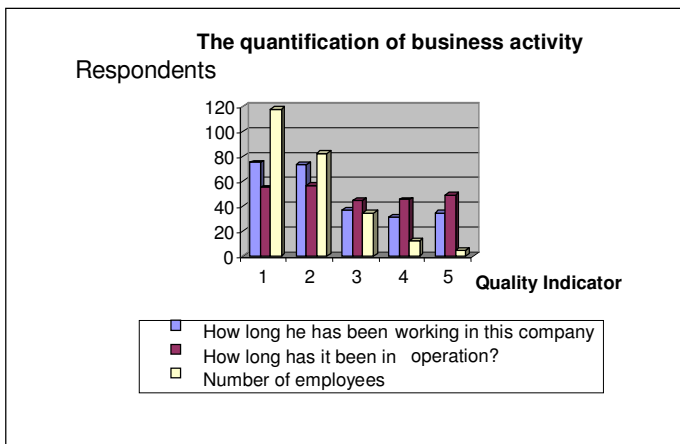


Figure 4. Analyze of business characteristics

From the dates obtain we identify that major activity are non productive as a matter of fact the production it is not developed yet in our regions, we are under the discovering faze of the miracle products which can be produced (Figure 5).

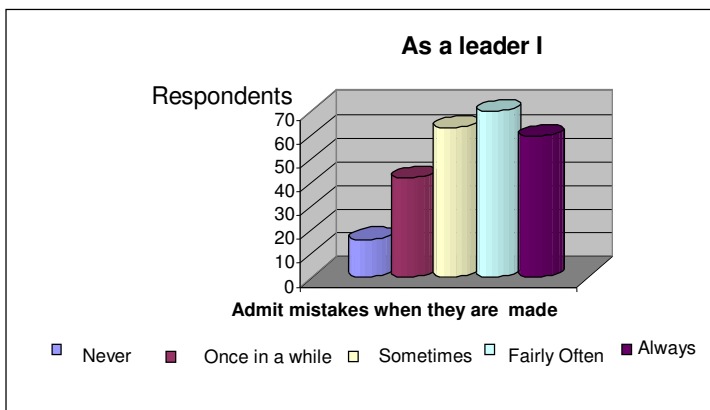


Figure 5. Profile of leader

As the factors proposed are generic in leadership profile, they are also applicable to women entrepreneur and a practical change management in their own business. Leadership before, during and after change implementation is the golden key to getting success.

The Matrix factors for leadership profile examines the personal background, stage of career, early life experiences and growth environment, indirect benefits, opportunities in the carrier prospect and the impact of market conditions. From research work perspective various attempts were undertaken to identify factors that support the growth of women entrepreneurs as leadership and comprehensive list of factors are identified and put in evidence the object of this study (Figure 6).

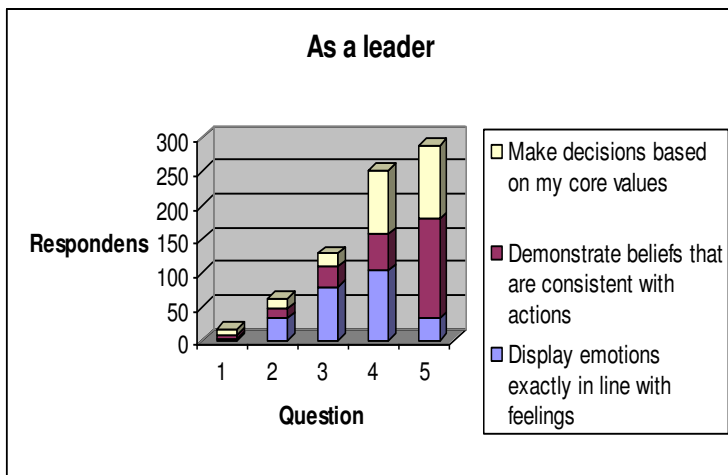


Figure 6. Opinion of leadership

In this study comparing the motivational factors among males and females it was found that disagreements with the bosses, with the drive to control own destiny, were motivating factors for male entrepreneurs.

The women are involved in service activity because of their good communication and their spirit of creation always takes in consideration the benefits of the entire organization (Figure 7).

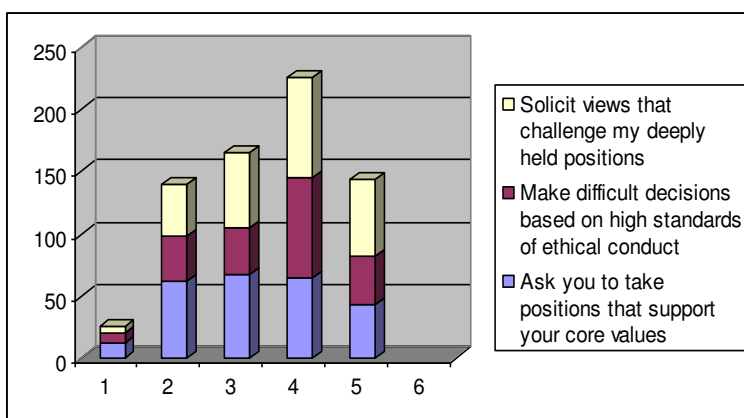


Figure 7. Leader style

Hence women were driven to entrepreneurship because the independence and sense of achievement which entrepreneurship offers. Management refers to the ways of the personnel in charge of directing the organization, which in this instance is an entrepreneurship (Figure.8).

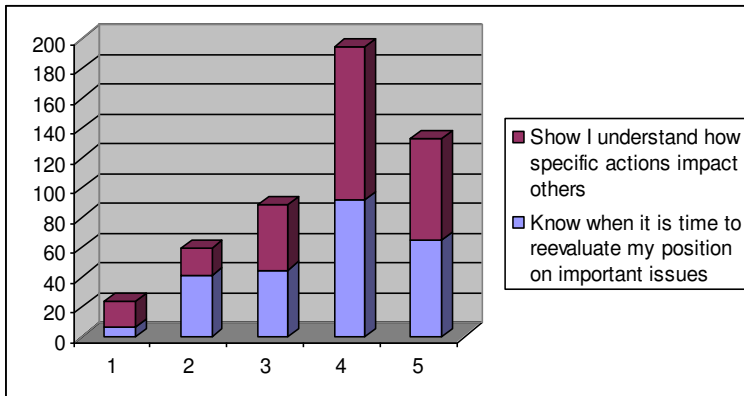


Figure 8. The flexibility of leader

Taking in consideration Barbuta-Misu, N.(2012) results regarding the possibility of modeling the Influence of Financial Variables on Enterprise, we should established also for entrepreneurs a model, to maintain an environment within the business to encourage efficiency among employees.

Part 4 of survey measure the perception for new development and new orientation into organization, identify some individual suggestions under the model of Pianta, M.,(2005).

Figure 9 plots the change of the manager mentality groups as the first evidence of the diversity in the relationship between innovation and employment during the economic cycle and their organization new orientation on market.

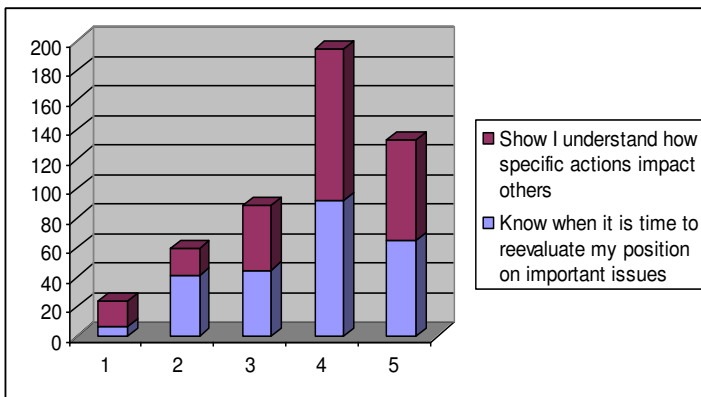


Figure 9. The flexibility of leader to innovation

An in depth understanding on the influence of these variables will be useful to understand the complex phenomenon of entrepreneurship.

Being in the management connotes power and influence for the person, it is not unusual for an entrepreneur to do all the management functions at the start of the business.

Poor leadership means an absence of hope, which, if allowed to go on for too long, results in an organization becoming completely nonfunctioning.

The organization must deal with the practical impact of unpleasant change, but more importantly, must labor under the weight of employees who have given up, have no faith in the system or in the ability of leaders to turn the organization around.

3. Conclusion

Based on the survey, we concluded that not in every organization management the manager leader, understand the managerial competency in the some connotation.

The system of independence of competencies with performance management, which has an impact on other areas of employee work like is not used in all companies in the survey.

Using competencies and skills assessment remains only on the formal level in most companies.

Since 48% entrepreneurs are focus on retailer activity and services, and only 24% it is involved in productivity activity, a new orientation it is necessary to encourage the economical growth of the city.

The individual and entrepreneurial core appears to be very important, it is important also to encourage the spirit of production as long we are in economical crises who need new alternatives and also new products.

The women voice was analyze in a global environment, so we can identify the labor women force and the impact on each country from this point of view (Figure 10.).

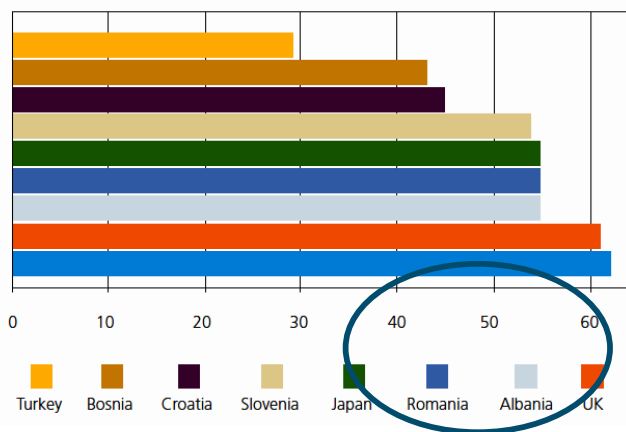


Figure. 10. Women Labor Force participation in Romania and Albania
Source: IFC, Voices of Women Entrepreneurs in Bosnia and Herzegovina

Main Obstacles for Entrepreneurs

- Licenses, taxation, cost of finance and labor issues are cited as the biggest obstacles to women owned businesses,
- Little coordination among each other,
- Unclear or varied business requirements of the different regions,
- Absence of strong women's business organizations,
- Much-needed training and networking,
- Female entrepreneurship has been recognized as an important source of economic growth.

Global Trends in Female Entrepreneurship

Using the data base obtains by Sabarwal and Terrell (2008) (Figure 11.) we can observe some global trends between Romanians and Albanians Entrepreneurs.

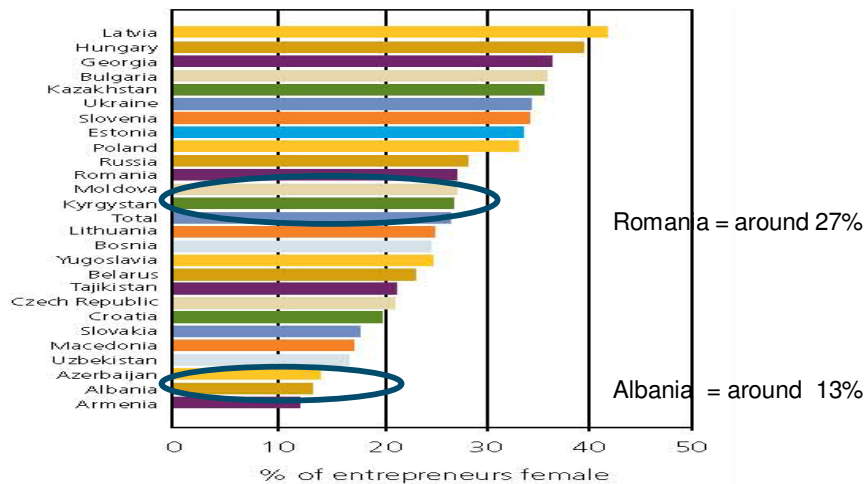


Figure 11. Share of Female Entrepreneurship by countries

Source: IFC, Voices of Women Entrepreneurs in Bosnia and Herzegovina, Sabarwal and Terrell 2008

In conclusion the global trends in female entrepreneurship identify using the survey are similar with Sevi Simavi, (2009) remarks like:

- Regardless of gender, entrepreneurial activity is significantly higher in Romania = around 27% and in Albania = around 13%
- The level of female entrepreneurship in market typically is oriented especially in commerce- retailer.
- A systematic gender gap a business ownership,
- A big segment from adult population are working abroad in each country.
- Employment matters to entrepreneurial activity. Those women who are employed in a wage job are more likely to be involved in entrepreneurial activity than those who are not working, are retired, or are students.
- Training and involved adult population in projects, courses and specialization in learning how to provide their own business.

The future research will be focused on efficiency of methods used for competency development in companies and realised a diagnose in comparison with other countries.

4. Acknowledgements

This work has been realized as a research work between our universities to diagnose the regional potential of market from both countries and to identify the entrepreneurship pulse in a city where economic crises put his signature on industry and people life.

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