
Introduction

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“Europe needs to foster entrepreneurial drive more effectively. It needs more new and thriving firms willing to reap the benefits of market opening and to embark on creative or innovative ventures for commercial exploitation on a larger scale.” (European Commission, 2003)

This quote from the 2003 European Commission green paper on entrepreneurship in Europe was not the first occasion when entrepreneurship was identified as a prospective strategy for enhancing Europe’s competitiveness in the global economy. For some years, representatives of member states of the European Union had expressed concern about competition and global market share. Absolute production in the EU has been on the rise for years but the percentage of world production had been in decline.

In 1999, the European Commission issued an *Action Plan to Promote Entrepreneurship and Competitiveness* – ‘Promoting entrepreneurship and innovation has moved centre stage in European enterprise policy’ – (Liikanen, 1999). This initial document addressed education and training, access to finance and to research and development, visibility of support services, public administration and employment and working conditions. The driving force behind the plan was the recognition of new and small enterprises as the key to Europe’s future competitiveness due to their roles as agents of change and job creators. Specific benefits of entrepreneurship were expected to be:

- job creation and growth
- competitiveness
- unlocking personal potential.

The commission promised that regular reports would be issued to keep member states and their citizens informed of progress towards implementing measures in the plan. The commission has, in fact, lived up to that pledge and issued periodic reports regarding the implementation and evolution of the action plan.

Creating an environment friendly to entrepreneurial activity, with particular attention to innovative ventures, was a recommendation of the European Council (2000). The council, a gathering of heads of state or government, meets at least semi-annually as a forum and impetus for political issues. The charge issued regarding entrepreneurship became a stimulus for the green paper.

The green paper generated a major revision to the action plan, which was published in 2004. An underlying assumption of the green paper was that public policies can contribute to boosting levels of entrepreneurship. The green paper defines entrepreneurship as, first and foremost, a mindset:

“It covers an individual’s motivation and capacity, independently or within an organisation, to identify an opportunity and to pursue it in order to produce new value or economic success. It takes creativity or innovation to enter and compete in an existing market, to change or even to create a new market. To turn a business idea into success requires the ability to blend creativity or innovation with sound management and to adapt a business to optimise its development during all phases of its life cycle. This goes beyond daily management: it concerns a business’s ambitions and strategy.”

Entrepreneurial activity should be stimulated at three levels:

- individual
- firm
- society.

Actions from the public sectors should include:

- awareness and skill development for individuals
- both support for and the removal of barriers for the firm
- appreciation of entrepreneurs and the elimination of the stigma of failure by society.

The green paper contains numerous examples of government-sponsored programmes and public-private sector partnerships that have fostered entrepreneurial activity. In presenting the strategies and examples, it cites the contributions of numerous academic scholars, such as David Audretsch, Kimmo Hyrsky, David Smallbone and others.

In February 2004, the new ‘action plan for entrepreneurship’ was submitted to the European Parliament (Commission to the Council, 2004). It stressed five strategic areas in which the EU and the member states were to strive towards specific objectives:

- fueling entrepreneurial mindsets
- encouraging more people to become entrepreneurs
- gearing entrepreneurs for growth and competitiveness
- improving the flow of finance
- creating a more SME-friendly regulatory and administrative framework.

The action plan, with its emphasis on mindsets, charges member states with focusing on educational activities, such as by integrating entrepreneurship curricula into schools.

Other objectives under the plan include:

- reducing the stigma of failure
- facilitating business transfers
- reviewing social security schemes for entrepreneurs
- providing support for women and ethnic minorities
- developing inter-enterprise relationships between businesses
- creating stronger balance sheets through more equity
- reducing the complexity of tax laws and other regulations.

In follow up reports, the commission contended that most of the initiatives in the action plan had been implemented.

Much attention has been given in the entrepreneurship literature to definitions and to the need for new and better theories. It is fascinating to see that the European Commission selected a definition of the term entrepreneurship. Their definition encompassed the concept of mindset from two perspectives – the mindset of individuals who are prospective entrepreneurs and the mindset of citizens at large – to counter biases against risk taking and other entrepreneurial behaviour. While scholars have been seeking a general theory of entrepreneurship, the commission proceeded to use entrepreneurship as the theory for stimulating economic development and competitiveness. Entrepreneurship is seen as the driving force for innovation, job creation and general economic growth. In the European context, therefore, scientific scholarship regarding entrepreneurial behaviour, especially in fueling mindsets, is essential and member states are charged with fostering environments supportive of entrepreneurship in order to convert the theory to practice.

With the foregoing in mind, we present this special issue on entrepreneurship in Europe. Each article contained in this issue contributes to a better understanding of the implementation of the *Action Plan for Entrepreneurship*. We begin in Spain, where Toledano and Urbano present a case study of a university programme designed specifically to promote entrepreneurial mindsets. They describe a partnership between the University of Huelva and the surrounding business community, in which entrepreneurs are directly involved in helping to promote positive attitudes towards business formation and growth. Working from a framework of institutional theory, they question whether a programme alone will change mindsets if the general environment is not supportive of entrepreneurial activity. They find family rather than entrepreneurial role models have the greater impact on student attitudes.

Guenther and Wagner look beyond individual students to assess the university as an entrepreneurial entity. Observing national efforts to encourage universities to commercialise intellectual property, they collected data from 49 higher education institutions in Germany to assess the interrelatedness of entrepreneurship education and technology transfer. Thus, they were investigating whether the universities were serving as environments for fostering entrepreneurial behaviour. An unexpected finding was that there were few direct linkages between entrepreneurship professors and the technology transfer programmes of the institutions. The observation may be a function

of organisational structure – with entrepreneurship professors being primarily affiliated with economics departments and technologies coming from science and engineering – or it may be a learning curve effect in that the efforts to commercialise technologies are relatively recent at these universities.

The next article examines one of the most central components of the entrepreneurship domain: opportunity identification. Muzychenko proposes that opportunity identification can be enhanced through entrepreneurship education. She places her approach in an international context, arguing that different cultures demand different competencies in identifying opportunities. Thus, generic entrepreneurship education may be insufficient in a European context of multiple borders.

Although Switzerland is not a member state of the European Union, Tajeddini and Tajeddini report that some Swiss believe the country suffers from many of the attitudes described in the green paper that discourage entrepreneurial activity. Their study of recent founders of Swiss businesses replicates prior work in other countries, profiling the classic characteristics associated with entrepreneurs: innovativeness, risk taking, self-confidence and the need for achievement. These characteristics have become such a part of entrepreneurial folklore that it is essential to revisit them periodically with different samples in different cultures to see if they hold up and should be infused in the educational programmes that are designed to fuel mindsets. In a country that some describe as representative of the risk averse attitudes and the stigma of failure, the researchers found risk taking and innovativeness to be significantly related to profit and employment growth but that need for achievement and self-confidence were not.

It should not be surprising that entrepreneurship education would encompass entrepreneurial orientation. Elenurm and Moisa administered questionnaires to students taking their first entrepreneurship courses at universities in Estonia and Finland. These neighbouring countries have very different histories of market economies. Comparing respondents on orientations toward initiative, individual innovative and co-creative entrepreneurship, the authors found more similarities than differences. Their most interesting conclusion was the determination that orientations might vary based on the stage of venturing and desired outcome.

Finally, Peterson and Valliere present a model to assess the relationship of entrepreneurship and economic growth. They work from the actions and goals proposed in the Lisbon agenda and further elaborated in the green paper. Their study reinforces the concern that the lack of entrepreneurial activity is associated with low economic growth rates. They contend that alliances between corporations and entrepreneurial ventures have potential for contributing to growing economies and should be facilitated by public policymakers.

It is unlikely that anyone expected immediate measurable results from the promulgation of an action plan for entrepreneurship. The capstone article in this special issue demonstrates that there are lagging economies that slow growth for the entire European Union. Changing mindsets, both of prospective entrepreneurs and the populations of the environments that surround them, requires tenacity over an extended period of time. The articles in this special issue that examine attitudes and educational programmes designed to foster entrepreneurship indicate that some efforts are in very fledgling form. Further, some of what we treat as common knowledge may not be accurate or appropriate in all cultures. These research findings and future ones are important in assessing the actions being taken to fuel mindsets and in designing effective strategies.

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