ENTREPRENEURIAL INTENTIONS IN SELECTED SOUTH-EAST EUROPEAN COUNTRIES

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Abstract

Entrepreneurship has an increasingly important role in economic growth and development in both developed and underdeveloped countries. Also, various forms of entrepreneurial behavior are important in promoting economic and social development. Thus, it is not surprising that entrepreneurship and entrepreneurial activity have received a significant attention from both academics and policy makers. It is important for both groups to better understand the various factors that affect and stimulate entrepreneurial behavior.

Previous research has shown that entrepreneurial intentions of individuals represent effective and strong explanatory factor that predicts quite well their future entrepreneurial behavior. Also, entrepreneurial intentions are crucial to the entrepreneurial process as an important first step in a series of actions that leads to the creation of entrepreneurial project. Although there are different theoretical models of entrepreneurial intentions in the extant literature, they actually contain conceptually related elements and offer quite comparable interpretations of entrepreneurial intentions.

In order to explore entrepreneurial intentions and their antecedents in South-East European context we have conducted a paper-and-pencil self-administered survey among students of economics and business in four South-East European countries, namely: Bosnia and Herzegovina, Croatia, Macedonia and Serbia. The sample consisted of 1200 respondents, 300 of respondents from each country included in study. The highly structured questionnaire with set of items derived from the literature and Likert-type scale were used as data collection instrument. The following scales were included in the questionnaire: locus of control, risk

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taking propensity, perceived barriers, perceived support factors, personal attitude towards entrepreneurship, perceived behavioral control, subjective norm and entrepreneurial intention (Lumpkin, 1985; Luthje, Franke, 2003; Linan, Chen, 2009). Collected data were analyzed with multiple regression technique in order to explore the effects of various antecedents on entrepreneurial intention in the context of South-East European countries.

The results indicate that personal attitude towards entrepreneurship, perceived behavioral control and subjective norm positively and significantly affect entrepreneurial intent. Respondents from Bosnia and Herzegovina exhibit higher levels of entrepreneurial intent compared to other observed countries.

The findings of our research provide better understanding of entrepreneurial intentions and their antecedents in the specific post-transition context of South-East European countries. Theoretical and policy implications of research findings are discussed in the paper.

Keywords: entrepreneurship, entrepreneurial intentions, survey, post-transition, South-East Europe

Introduction

Entrepreneurial activities have increasingly important roles in various aspects of economic and social development around the world. Therefore, it is not surprising that entrepreneurial behavior has received significant scholarly attention from various academic disciplines (e.g. Shane and Venkataraman, 2000; Busenitz et al, 2003; van Praag and Versloot, 2007; Shepherd and Williams, 2015).

Entrepreneurial intention is one of the rapidly evolving sub-fields within the broader field of entrepreneurship research (Linan and Fayolle, 2015). Pioneering works in this area were published by Shapero (1984) and Shapero and Sokol (1982). Since then, entrepreneurial intention framework was tested, refined and employed by a number of studies (e.g. Krueger, Reilly and Carsrud, 2000; Luthje and Franke, 2003; Veciana, Aponte and Urbano, 2005; de Pillis and Reardon, 2007; Lee et al., 2011; Linan and Fayolle, 2015). Also, initial theoretical framework has been integrated with theories from the field of social psychology (Ajzen 1991; Bandura 1982).

Many of previous studies explore the effects of various personal-level variables on entrepreneurial intention (e.g. Lee and Wong, 2004; Segal, Borgia and Schoenfeld, 2005; Linan and Santos, 2007). Numerous variables are analyzed in these studies as antecedents of entrepreneurial intention, such as demographics, personal traits and psychological variables, as well as prior entrepreneurial exposure and social capital. Another major stream of research includes studies that analyze various contextual variables (e.g. national, regional or cultural variables) as antecedents of entrepreneurial intention (e.g. Veciana, Aponte and Urbano, 2005; Engle et al., 2010). Also, some studies are more focused on various theoretical and methodological issues of the entrepreneurial intention model (e.g. Linan and Chen, 2009; Schlaegel and Koenig, 2014).

Our paper contributes to the entrepreneurial intention literature making the following advances. Our research combines three streams of research into one study. We explore the effects of personal-level and contextual variables on entrepreneurial intention. Basic model of planned behavior is extended with locus of control, risk taking propensity, perceived barriers and perceived support factors. Conducting our research in four South-East European countries we are using them as an empirical testing ground to explore the effects of national environments of these specific countries on entrepreneurial intent. And finally, we will conduct empirical test of Ajzen's Theory of Planned Behavior and explore how well it explains the situation found in the post-transition setting.

Literature review is presented in the next section. Conceptual framework is presented and hypotheses are developed in the third section. The methodology is described in the fourth section and it is followed by results and discussion section. The final section includes conclusions with theoretical and policy implications, limitations and the lines for future research.

Literature Review

Entrepreneurial intention may be defined as the intention of an individual to start a new business (Krueger, 2009). It represents a mental orientation such as desire, wish and hope influencing individual's choice of entrepreneurship (Peng, Lu and Kang, 2012). Intentions are considered the single best indicator of actual behavior (Ajzen, 1991) and entrepreneurial intentions are therefore central to better understanding entrepreneurial behavior in the process of discovering, creating, and exploiting opportunities (Gartner, et al., 1994).

There are two main theoretical models of entrepreneurial intention. One of the earliest models of entrepreneurial intention is the Entrepreneurial Event Model (Shapero, 1975; Shapero and Sokol, 1982; Krueger, 1993). Based on this model, entrepreneurial intention depends on three main antecedents: perceived desirability, propensity to act, and perceived feasibility. Another important theoretical model of entrepreneurial intention is adopted from the field of social psychology. It is known as the Theory of Planned Behavior. This theory was developed by Ajzen (1991) as a framework that might be applied to different behavioral contexts, and it was introduced to entrepreneurial intention context by Krueger and Carsrud (1993). According to this model, the following variables affect entrepreneurial intention: attitude toward the entrepreneurship, subjective norm, and perceived behavioral control. Additionally, there were also efforts to extend the existing and develop new theoretical models of entrepreneurial intention (Davidsson, 1995; Krueger, Reilly and Carsrud, 2000; Elfving, Brannback and Carsrud, 2009) and to integrate them into single, coherent model (Linan, Rodriguez-Cohard and Rueda-Cantuche, 2005; Shook and Bratianu, 2010; Schlaegel and Koenig, 2014; Langer et al., 2016). Nevertheless, the Theory of Planned Behavior has been shown as more consistent in predicting entrepreneurial intentions and it is based on more coherent theoretical framework (Krueger, Reilly and Carsrud, 2000; Engle et al., 2010; Iakovleva, Kolvereid and Stephan, 2011).

The entire stream of research within entrepreneurial intention field seeks to identify additional antecedents of entrepreneurial intention. Additional antecedents range from various personal-level variables to specific contextual variables. Indeed, the context matters and this might be more important for post-transition countries. Luthje and Franke (2003) added risk taking propensity and locus of control as additional personality variables to the model. Also, they included support and barriers as specific contextual variables. De Pillis and Reardon (2007) explored the effects of achievement motivation, tolerance for ambiguity and personal efficacy on entrepreneurial intention as well as the effects of cultural contextual variables operationalized as face-to-face and mass media persuasion about entrepreneurship. Crant (1996) explored the effects of proactive personality and demographics on entrepreneurial intention. Segal, Borgia and Schoenfeld (2005) included risk perception into their analysis of entrepreneurial intentions, while Carr and Sequeira (2007) and Peng, Lu and Kang (2012) included prior entrepreneurial experience (personal and/or family).
Since the entrepreneurial intention can be strongly influenced by the contextual environment numerous studies explored the differences in entrepreneurial intention among different countries, regions and cultural groups. Veciana, Aponte and Urbano (2005) compared entrepreneurial intentions between Catalonia and Puerto Rico, which might have shared cultural tradition but different economic models. Kristiansen and

Indarti (2004) conducted comparison between Norway and Indonesia, which have different both cultural tradition and economic models. Engle et al. (2010) conducted analysis of entrepreneurial intention among 12 countries representing 10 regional cultural clusters, while Iakovleva, Kolvereid and Stephan (2011) conducted comparison among 13 countries and focusing on the differences among developed and developing countries.

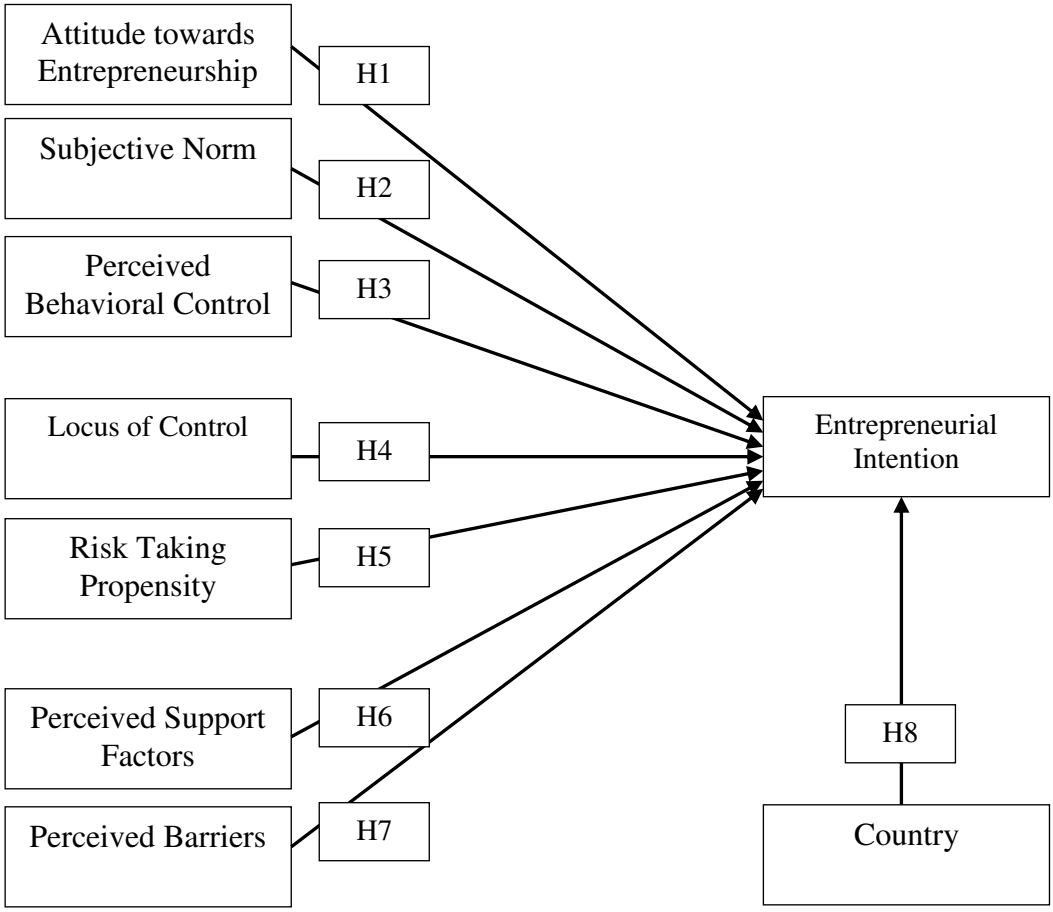
The importance of entrepreneurial intentions has been recognized in the observed South-East European countries in the region[217] but this issue has not been tackled comparatively or using the advanced theory of planned behavior. We fill the gap by providing theoretically plausible and empirically evidenced comparative study of entrepreneurial intent in the selected post-transition countries. According to our best knowledge this is the first exploratory study of for the set of South-East European countries. The observed countries share as well the same path-dependency of ex-Yugoslav republics and belong to the same Western Balkan region so many similarities might be found in the attitudes and behavior of neighboring citizens. However, since our study is conducted at the young population, these inherited effects might be mitigated ever since the dissolution of the former state.

Conceptual Framework and Hypotheses

The basic model of our research is based on the Theory of Planned Behavior with additional personality variables (locus of control and risk taking propensity) and contextual variables (perceived barriers and perceived support factors). Also, we explore the effects of specific national environments of four South-East European countries on entrepreneurial intention. Our conceptual model is presented in Figure 1.

[217] See for example Pašić Mesihović & Šestić (2016) and Macura, Konda, & Končar (2015) for Bosnia and Herzegovina, Langer et al.(2016) for Croatia, and Stanković, Dedjanski & Vojteški-Kljenak (2015) for Serbia.

Figure 1. Conceptual framework



Personal Attitude towards Entrepreneurship, Subjective Norm and Perceived Behavioral Control are basic antecedent variables of entrepreneurial intention and they represent original elements of the Theory of Planned Behavior (Ajzen, 1991). Personal Attitude towards Entrepreneurship refers to the degree to which the individual holds a positive or negative personal valuation about being an entrepreneur (Ajzen, 2001; Linan and Chen, 2009). Subjective Norm represents the perceived social pressure to carry out, or not to carry out entrepreneurial behavior. It refers to the perception that "reference people" would approve of the decision to become an entrepreneur, or not (Ajzen, 2001; Linan and Chen, 2009). Perceived Behavioral Control is defined as the perception of the ease or difficulty of becoming an entrepreneur (Linan and Chen, 2009).

These three variables are theoretically considered as key predictors of intention in any behavioral context, not just entrepreneurial (Ajzen, 1991; Krueger and Carsrud, 1993). There are numerous studies that empirically tested this model in various settings, and with somewhat conflicting results. Krueger, Reilly and Carsrud (2000) found empirical evidence for positive relationship between Personal Attitude towards Entrepreneurship and Perceived Behavioral Control on one side and Entrepreneurial Intention on the other, but they could not find empirical evidence for relationship between Subjective Norm and Entrepreneurial Intention. Autio et al. (2001) also could not empirically confirm the positive relationship between Subjective Norm and Entrepreneurial

Intention. On the other hand, several studies found empirical evidence for positive relationship between all three basic antecedent variables and Entrepreneurial Intention (Kolvereid, 1996; Tkachev and Kolvereid, 1999; Kolvereid and Isaksen, 2006). Therefore, the following hypotheses were proposed:

H1: Entrepreneurial Intention should be positively affected by Personal Attitude towards Entrepreneurship;

H2: Entrepreneurial Intention should be positively affected by Subjective Norm;

H3: Entrepreneurial Intention should be positively affected by Perceived Behavioral Control.

Locus of Control and Risk Taking Propensity represent two additional variables that we added to our model. They represent personality variables and might allow exploring how personality differences affect entrepreneurial intention. Locus of Control represents the degree to which individuals believe that they have control over the outcome of events in their lives (Rotter, 1966; Lumpkin, 1985). Risk Taking Propensity refers to the individual's tendency to engage in activities that are perceived as risky (Brockhaus, 1980; Luthje and Franke, 2003). There are some previous studies that provide empirical evidence about the existence of positive relationship between these two variables and entrepreneurship and entrepreneurial intention (e.g. Brockhaus, 1980; Brockhaus, 1987; Bonnett and Furnham, 1991; Hisrich and Peters, 1995; Luthje and Franke, 2003). Therefore, we propose the following hypotheses:

H4: Entrepreneurial Intention should be positively affected by Locus of Control

H5: Entrepreneurial Intention should be positively affected by Risk Taking Propensity.

Another set of variables added to the basic model represent contextual variables. We included two contextual variables that well cover various contextual factors and can be regarded as proxy variables for specific economic, social and cultural context. They are Perceived Support Factors and Perceived Barriers and they have been initially developed by Luthje and Franke (2003). The extant literature recognizes the importance of various social, cultural, institutional and economic contextual variables for entrepreneurial intention formation process at individual level. Previous studies explored the effects of contextual variables such as attitudes towards entrepreneurship in society, availability of business incubators, funding, content of mass-media and face-to-face communication about entrepreneurship (e.g. Shapero, 1984; Hisrich and Peters, 1995; Pennings and Kimberly, 1997; Luthje and Franke, 2003; De Pillis and Reardon, 2007). These factors have been found to have strong relationships with entrepreneurial activities. Therefore, the following hypotheses are proposed:

H6: Entrepreneurial Intention should be positively affected by Perceived Support Factors

H7: Entrepreneurial Intention should be negatively affected by Perceived Barriers.

The entire stream of research is focused on cross-country comparisons of entrepreneurial intentions and their antecedents. The studies range from two-country

comparisons (e.g. Kristiansen and Indarti, 2004; Veciana, Aponte and Urbano; 2005) to large multi-country comparisons (e.g. Engle et al., 2010; Iakovleva, Kolvereid and Stephan, 2011). There is strong empirical evidence that entrepreneurial intention significantly differs between various countries and these differences are might be explained by differences in economic, social and cultural environments. Therefore, we propose the following hypothesis:

H8: There will be differences in Entrepreneurial Intention among analyzed countries.

Methodology

Data were collected during 2016 by using a paper-and-pencil self-administered survey. Survey was conducted in four South-East European countries: Bosnia and Herzegovina, Croatia, Macedonia and Serbia. The sample consisted of 1200 university students of economics and business, with 300 of respondents from each country included in the study. The sample is constructed with convenience sampling technique and it includes university students that were present at the lecture when survey was conducted. The summary statistics of sampled respondents is presented in Table 1.

Table 1. Summary statistics of sampled respondents, n = 1200

	%
Gender	
Male	27.6
Female	72.4
Age	
19-21	43.4
22-24	49.8
25-27	3.9
28+	3.1
Year of study	
1st	0.2
2nd	20.8
3rd	51.4
4th	27.7
Country	
Bosnia and Herzegovina	25.0
Croatia	25.0
Macedonia	25.0
Serbia	25.0

Source: Authors

Data were collected with the highly structured questionnaire that included set of items derived from the literature and questions about respondent's gender, age and year of study (Appendix). Items were measured on a five-point Likert-type scale, anchored at 1 (strongly disagree) and 5 (strongly agree). The following scales were included in the questionnaire: locus of control, risk taking propensity, perceived barriers, perceived support factors, personal attitude towards entrepreneurship, perceived behavioral control, subjective norm and entrepreneurial intention. Items for locus of control were taken from Lumpkin (1985), items for risk taking propensity, perceived barriers and

perceived support factors were taken from Luthje and Franke (2003), and items for personal attitude towards entrepreneurship, perceived behavioral control, subjective norm and entrepreneurial intention were taken from Linan and Chen (2009).

Collected data were first analyzed with exploratory and confirmatory factor analysis in order to assess validity of applied measurement scales. Initial exploratory analysis with varimax raw rotation of factors was performed on the entire pool of 35 items. From further analysis were removed 9 items - items with low factor loadings on their primary factor and items with high factor loadings on more than one factor. The remaining items were again factor analyzed and they loaded on 8 factors as hypothesized in the literature. Principal components analysis was employed to extract the factors. The Kaiser-Guttman rule was used to determine the number of factors to extract.

After exploratory factor analysis, 26 items were subjected to confirmatory factor analysis to conduct more rigorous evaluation of underlying factor structure and the validity of measurement scales.

Multiple regression analysis was conducted to test hypotheses. Entrepreneurial intention is specified as dependent variable and locus of control, risk taking propensity, perceived barriers, perceived support factors, personal attitude towards entrepreneurship, perceived behavioral control, subjective norm and country as independent variables. The tolerance measures were checked to detect possible multicollinearity. Since the values of tolerance were between 0.74 and 0.99, it was safe to conclude that multicollinearity did not exist (Kutner, Nachtsheim and Neter, 2004). Data analysis was conducted with software package Statistica 12.

Results and discussion

Initial exploratory factor analysis resulted in removal of 9 items with low factor loadings on their primary factor and high cross-loadings. Final exploratory factor analysis resulted in factor solution with 8 factors where each item had high factor loading on their primary factor (Table 2). The eight-factor solution explained 39.2% of the variance. The eight-factor solution was additionally tested with confirmatory factor analysis. Fit indices indicate an acceptable level of fit for specified measurement model and all factor loadings were significant at $p < 0.01$ level (Table 2). The results of exploratory and confirmatory factor analyses indicate that applied measurement scales exhibit acceptable level of validity.

Table 2. Exploratory and confirmatory factor analysis results

Items	EFA factor loadings	CFA factor loadings
Locus of Control		
i2	0.77	0.41*
i3	0.73	0.45*
Risk Taking Propensity		
i7	0.76	0.64*
i8	0.78	0.77*
i9	0.52	0.41*
Perceived Barriers		
i10	0.82	0.28*

i11	0.74	0.98*
Perceived Support Factors		
i14	0.80	0.33*
i15	0.73	0.80*
Personal Attitude toward Entrepreneurship		
i16	0.67	0.54*
i17	0.77	0.89*
i18	0.78	0.86*
i19	0.80	0.92*
Perceived Behavioral Control		
i23	0.65	0.68*
i24	0.78	0.75*
i25	0.79	0.77*
i26	0.54	0.53*
Entrepreneurial Intention		
i27	0.73	0.82*
i28	0.81	0.89*
i29	0.86	0.93*
i30	0.88	0.99*
i31	0.85	1.04*
i32	0.87	1.03*
Subjective Norm		
i33	0.78	0.68*
i34	0.91	0.86*
i35	0.85	0.74*

Note: CFA fit indices: GFI = 0.91, AGFI = 0.88; NFI = 0.90; NNFI = 0.90; CFI = 0.92; RMSEA = 0.065

* Factor loadings significant at $p < 0.01$ level

The results of multiple regression analysis (Table 3) indicate that Entrepreneurial Intention was significantly and positively affected by Personal Attitude towards Entrepreneurship (β=0.44), Perceived Behavioral Control (β=0.36), and Subjective Norm (β=0.05). Results also indicate that specific country environment also affects entrepreneurial intention. Respondents from Croatia, Serbia and Macedonia exhibit significantly lower levels of entrepreneurial intention when compared to Bosnia and Herzegovina as reference country in this regression model. This result is contrary to the ease of doing business in these countries, as documented in the Doing Business Report (World Bank, 2016) where for example, Macedonia (rank 12) as the leader in the Balkans in reforming the business regulation, Croatia (rank 40) and Serbia (rank 59) are all better ranked than Bosnia and Herzegovina (rank 79), which shows a great delay in the reformation process. However, the number of days to register a business, or the regulation of paying taxes or getting construction permits, does not picture the entire business environment of one country. When reporting on a country's business regulation and environment, many additional factors of influence for investment should be taken into consideration: market size, security of the region, macroeconomic stability, cost and availability of credit, skills and training of the work force, state of the financial system, levels of corruption, etc. An example of the best-performing country Macedonia, showed an increase in the promotion of entrepreneurial opportunities in

recent years, but this has not attributed to an increase in the number of startups and some of the reasons for this situation are relatively small market in respect to number of consumers, limited geographic markets; general preference for employment in the public sector or in large companies (GEM Report, 2013).
The results support hypotheses H1, H2, H3 and H8. However, hypotheses H4, H5, H6 and H7 are rejected.

Table 3. Regression analysis –dependent variable: Entrepreneurial Intention

Independent variables	Standardized coefficients (β)	Standard error	Unstandardized coefficients (B)	Standard error	t-value	p-value
Intercept			-0.47	0.18	-2,53	0.01
Locus of Control	0.00	0.02	0.00	0.03	0.02	0.98
Risk Taking Propensity	0.01	0.02	0.01	0.03	0.43	0.67
Perceived Barriers	0.02	0.02	0.03	0.03	1.01	0.31
Perceived Support Factors	-0.01	0.02	-0.01	0.03	-0.44	0.66
Personal Attitude towards Entrepreneurship	0.44	0.02	0.51	0.03	18.78	0.00
Perceived Behavioral Control	0.36	0.02	0.47	0.03	15.68	0.00
Subjective Norm	0.05	0.03	0.07	0.03	2.48	0.01
Croatia	-0.15	0.03	-0.34	0.06	-5.88	0.00
Serbia	-0.13	0.03	-0.30	0.06	-5.30	0.00
Macedonia	-0.10	0.03	-0.22	0.06	-3.74	0.00

Model fit: R2 = 0.51; adjusted R2 = 0.51; F-value = 126.09; p = 0.00

Significant and positive impact of Personal Attitudes and Perceived Behavioral Control to the entrepreneurial intentions are in line with the past research in other countries (e.g. Krueger, Reilly and Carsrud, 2000; Kolvereid and Isaksen, 2006). Perceptions are an important determinant of behavior that influences the outcome whether an individual is a potential entrepreneur. Becoming an entrepreneur is perceived to be rather easy, but this may be due to the fact that the respondents are students of business and economics, and many of them in their third and fourth year of studies with previously acquired knowledge on the topic. Nevertheless, these findings are supported by other research on national level. For example, according to the national GEM Report for Macedonia (2013) people tend to have mainly positive perceptions for entrepreneurial activity, and 50% of the respondents (population of 18-64 years of age) believe that they have the necessary knowledge and skills to start and manage a business. Furthermore, 37% (population of 18-64 years of age) think that there are good opportunities to start a business in the next 6 months in the area where they live, and 29% consider themselves a latent entrepreneur who intends to start a business within three years. This percentage of entrepreneurial intent among the population (18-64 years of age) in Macedonia is higher than in the other Balkan countries, opposing our research which suggests, that in regards to young people (18-29 years), Bosnia and Herzegovina has taken the leadership in the region. Still, when we analyze further, we can see that more than the

half of the entrepreneurs from Macedonia (60,98%) are entrepreneurs from necessity, a number that is higher than in any other Balkan country (GEM Report, 2013). This situation is determined by low economic development and high unemployment rate. Additionally, Bosnia and Herzegovina is the only Balkan country where the number of entrepreneurs from necessity is lower than entrepreneurs motivated by opportunity. In the European context, for instance, the number of those who started their businesses due to opportunity is almost the half of the total number of respondents who at some point run a business, while those who became entrepreneurs from necessity form less than 1/3 of all the respondents (European Commission, 2013). Although methodology and scope of the indicators are different, it is worth putting our results of entrepreneurial intentions in the GEM context that for Croatia shows 20% of an adult population is considered latent entrepreneurs i.e. have expressed their intent to become an entrepreneur in the next three years[218].

In the observed South-East European social setting, the variable Social Norm plays and important role in forming individual entrepreneurial intention. Contrary to the findings of Autio et al. (2001) close friends and family support matters in future business undertaking. This may be a consequence of the fact that most of these young people still live with their families and are financially dependent on their parents. Eurostat data for 2013 provide evidence that in the EU28 only 39 percent of young population aged 25-29 lived with their parents, while in the observed countries this percentage was much higher: 71 percent in Macedonia[219], 70 percent in Croatia and 66 percent in Serbia. Further it seems that countries where high share of the population aged 20-29 still lives with their parents have higher youth unemployment rate. Some of these young people are in the education process, but others might be even unwilling to look for a job (Tomić, 2016).

On the other side, Perceived Support factors referring to the institutional support and positive general image of entrepreneurs in the society is not important for entrepreneurial intention. Aligned with this finding, legislation and bank support do not stand as significant obstacles to entrepreneurial intention This result is interesting because business climate in Western Balkans is poor[220], however, perceived barriers seem not to hamper entrepreneurial intention in the surveyed countries and this is in line with previous findings for Croatia that anti-entrepreneurial climate does not seem to be influencing students' entrepreneurial aspirations (Langer et al., 2016). Young entrepreneurs-to-be might have the courage, although risk-taking propensity is not significant determinant of their entrepreneurial intention in the region.

The rate of unemployment among young population is considerably higher than among the adults in all surveyed countries (Tomić, 2016). Those young, educated people who have strong commitment to the realization of the idea of starting their own business consider this as their own responsibility, especially if they think they would have support of their families or close friends. It can be further elaborated and explained through the institutional support to the development of entrepreneurship in the observed South-East European countries. For instance, the support to young entrepreneurs in

[218] GEM Croatia, 2014 http://www.gemconsortium.org/country-profile/54
[219] Data for Macedonia are for 2012.
[220] See SEE-6 Economic Outlook, 2015, Švaljek (Ed), 2015.

Serbia is rather sporadic in spite of a big plan to put the development of small and medium sized enterprises and entrepreneurship at the top of the agenda of economic policy reforms for this decade (Government of Serbia, 2015). Those plans are continuation of the previous economic reforms that did not result in a significant growth of the entrepreneurial sector. Maybe this is why young people do not yet perceive the institutional support as strong and continuous. In Serbia, young people rather opt for employment in organizations, in the informal sector or to stay unemployed instead of choosing self-employment as an option.[221] In the after-crisis period in Croatia the necessity self-employment is dominant for both young and especially so for the old unemployed people, whereas opportunity self-employment is slightly more pronounced in the case of the young population (Botrić & Tomić, 2016).

Conclusions

This research on entrepreneurial intentions in the set of post-transition countries provided pioneering insight into the attitudes and behavior of young entrepreneurs-to-be in Balkans region. Personal Attitude towards entrepreneurship is mostly positive and it has a significant influence on the entrepreneurial intent.

Contrasted to other studies for other countries, in the observed countries Social Norm plays an important determinant of entrepreneurial intentions. It seems that in the case of South-East European countries, the opinion of a third party (friends or family), i.e. Social Norm is of great importance for the decision to start a business. This could mean that in order to boost entrepreneurial intention, the promotion of entrepreneurship should be aimed at a more general public.

One of the most intriguing finding is that entrepreneurial intentions in Bosnia and Herzegovina are higher than in other countries in the region. This finding goes hand in hand with Bosnia and Herzegovina standing as the only Balkan country where the number of entrepreneurs from opportunity rather than from necessity prevails, yet requires more in-depth study of the reasons standing behind national specifics. In our discussion, the lack of comparable statistical data restricted the analysis of Bosnia and Herzegovina in the international context.

The results on Perceived Behavioral Control positive and significant impact to entrepreneurial intention is in line with the past research (Krueger, Reilly and Carsrud, 2000). Young people have in general more self-confidence, and it seems to be decisive for entrepreneurial intention, in particular since our sample is students of business and economics that have gathered certain knowledge on developing entrepreneurial project and management. Given the scope of our research, focus on the business students limits the extension of conclusions to the general population.

Future research can include young people with different educational background in order to expand the characteristics of the sample, use other measures in addition to the self-administered survey and include a longitudinal study for better understanding of the causality between the tested factors of influence and Entrepreneurial Intention. In

[221] Among those seeking for a first job only about 11 percent opt for self-employment (Government of Serbia, 2015).

addition to this, it would be interesting to ask young entrepreneurs who already established their businesses what were the main factors which they followed while developing their entrepreneurial projects. We also recommend a further exploration of the role of economic and environmental variables in these countries, which may affect the relationship between the above-mentioned factors and Entrepreneurial Intention. This research showed that in the selected South-East European countries there is a clear entrepreneurial intent and that the idea of entrepreneurship and entrepreneurial mindset is familiar to young population. However, there are number of obstacles for this intent to be effectively launched and realized. This probably stands as a reason for young entrepreneurs-to-be in the post-transition economies in the Western Balkans region to consider locus of control, risk, barriers and supporting factors less important for their entrepreneurial projects to become true. Finally, more studies on the entrepreneurial intent and youth unemployment problem in the post-transition should be undertaken. Higher levels of entrepreneurial intent might induce self-employment of youth and job creation for young people and thus contribute in alleviating this burden to the national economies in the region.

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Appendix: Questionnaire

To which extend you agree or do not agree with each of the following statements? Please circle only one answer for every statement on the scale from 1 to 5.

1 = Strongly disagree, 2 = Disagree, 3 = Neither agree nor disagree, 4 = Agree, 5 = Strongly agree.

i1	When I make plans, I am almost certain that I can make them work	1 2 3 4 5
i2	Getting people to do the right things depends upon ability; luck has nothing to do with it.	1 2 3 4 5
i3	What happens to me is my own doing.	1 2 3 4 5
i4	Many of the unhappy things in people's lives are partly due to bad luck.	1 2 3 4 5
i5	Getting a good job depends mainly on being in the right place at the right time.	1 2 3 4 5
i6	Many times I feel that I have little influence over the things that happen to me.	1 2 3 4 5
i7	When I travel I tend to use new routes.	1 2 3 4 5
i8	I like to try new things (e.g. exotic food or going to new places).	1 2 3 4 5
i9	I have taken a risk in the last six months.	1 2 3 4 5
i10	Banks in >My Country< do not readily give credit to start up companies.	1 2 3 4 5
i11	State laws (rules and regulations) are adverse to running a company.	1 2 3 4 5
i12	It is hard to find a business idea for a business that hasn't been realized before.	1 2 3 4 5
i13	Entrepreneurs have a positive image with >Country< society.	1 2 3 4 5
i14	Qualified consultant and service support for new companies is available in >Country<.	1 2 3 4 5
i15	The creative atmosphere in the society inspires to develop ideas for new businesses.	1 2 3 4 5
i16	Being an entrepreneur implies more advantages than disadvantages.	1 2 3 4 5
i17	A career as entrepreneur is attractive for me.	1 2 3 4 5
i18	If I had the opportunity and resources, I'd like to start a firm.	1 2 3 4 5
i19	Being an entrepreneur would entail great satisfactions for me.	1 2 3 4 5
i20	Among various options, I would rather be an entrepreneur.	1 2 3 4 5
i21	To start a firm and keep it working would be easy for me.	1 2 3 4 5
i22	I am prepared to start a viable firm.	1 2 3 4 5
i23	I can control the creation process of a new firm.	1 2 3 4 5
i24	I know the necessary practical details to start a firm.	1 2 3 4 5
i25	I know how to develop an entrepreneurial project.	1 2 3 4 5
i26	If I tried to start a firm, I would have a high probability of	1 2 3 4 5

	succeeding.	
i27	I am ready to do anything to be an entrepreneur.	1 2 3 4 5
i28	My professional goal is to become an entrepreneur.	1 2 3 4 5
i29	I will make every effort to start and run my own firm.	1 2 3 4 5
i30	I am determined to create a firm in the future.	1 2 3 4 5
i31	I have very seriously thought of starting a firm.	1 2 3 4 5
i32	I have the firm intention to start a firm some day.	1 2 3 4 5
i33	If I decided to create a firm, my close family would approve it.	1 2 3 4 5
i34	If I decided to create a firm, my friends would approve it.	1 2 3 4 5
i35	If I decided to create a firm, my colleagues would approve it.	1 2 3 4 5

Please note your gender, age and the year of study you are enrolled to.

D1	Gender	M F
D2	Age	
D3	Study year	1 2 3 4