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Abstract

Purpose: The research aimed to test whether there is a distinction in entrepreneurial potential between entrepreneurs who are thriving and those who have failed; and whether there are variables that can predict entrepreneurial success or failure.

Relevance: It presents an approach to entrepreneurship research tested by foreign academics, the main content of which is the empirical operationalization of success and failure in business to test a specific hypothesis and identify the prerequisites and consequences of entrepreneurial potential

Key methodological aspects: The study was conducted using a descriptive and quantitative approach. Based on the Scale of Entrepreneurial Potential, the survey was completed by 61 entrepreneurs from Kazakhstan who satisfied the criteria for participation in the analysis, both successful entrepreneurs (n = 38) and entrepreneurs who failed (n = 23). The data were analyzed by using logistic regression and Student's t-test statistical methods.

Summary of Key Findings: The results indicate that a successful entrepreneur scores higher on the Entrepreneurial Potential Scale than an unsuccessful entrepreneur. The main similarity between entrepreneurial potential and business success lies in setting business goals. In the study sample, gender has shown to be a strong predictor of business success, showing that men are 2.6 times more likely to be successful in business than women.

Key conclusion: These findings point to vital elements in explaining business success and support recent findings from research on gender and entrepreneurship.

KEYWORDS: *Entrepreneurship. Potential. Business. Success. Failure. Gender.*

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List of abbreviations

IBM	International Business Machines
SPSS	Statistical Package for the Social Sciences
ROC	Receiver Operating Characteristic
SD	Standard Deviation
df	degree of freedom

Introduction

The central figure in the studies devoted to entrepreneurship is the entrepreneur. These studies begin from the same point of analysis. Namely, measuring the behavior of entrepreneurs and understanding that entrepreneurship is associated not only with starting a business but also with individual character traits associated with personality, abilities, beliefs, interests, relationships, values, self-esteem, and emotional patterns (Davidsson, 1989; Beverland & Lockshin, 2001; Rauch & Frese, 2007; Brandstätter, 2011; Mathieu & St-Jean, 2013). For example, Beverland and Lockshin (2001) stereotype an entrepreneur as a person who is optimistic and confident, risk-taking, creative, motivated to make a profit, has needed to achieve goals, and is a leader.

Regardless, many of these works ignore and miss the entrepreneurial characteristics that affect business success or failure, or, contrarily, the business success and failure factors that affect entrepreneurial behavior. According to scholars such as Minello, Scherer, and Alves (2014), a successful entrepreneur maintains values associated with individual satisfaction, accomplishment, success, and strength, which means purely personal goals. Conversely, failed or former business people tend to uphold values related to social relations, social support, survival, and safety. According to Miner (1997a), this difference in behavior patterns may play an essential role in some types of individuals. Because according to the author, to be successful in entrepreneurship, a person should have a suitable personality. In this regard, Santos (2008) points out that displaying features and character traits includes factors that may indicate a potential entrepreneur, i.e., Entrepreneurial intention, Opportunities, Persistence, Control, Efficiency, Information, Goals, Persuasion, Planning, and Network. These characteristics aim to determine the psychosocial and behavioral levels required for a person to become a successful entrepreneur.

Considering that entrepreneurial potential usually refers to the profile of a successful business representative, the following question arises: can a potential entrepreneur be a predictor of business success? Consequently, this study aims to identify possible elements of convergence and clarify entrepreneurial potential in

business success, taking the Santos model as theoretical support (2008). To do this, I tried to test if there is a difference in entrepreneurial potential between thriving entrepreneurs and entrepreneurs who have failed; and if there are variables that can indicate success or loss in business.

1.Review of literature

1.1. Entrepreneurship

The creation of new enterprises is crucial for a healthy economy. Entrepreneurship drives innovation, competition, job creation, economic growth, and nurturing of healthy and sustainable communities. Therefore, entrepreneurship has been studied in many ways and covers a wide range of theories and approaches.

Authors from all fields of social sciences – economics, sociology, anthropology, psychology, history, politics, and many other business sciences – have contributed to this field. Thus, entrepreneurship research is still under active development and is considered interdisciplinary and multidisciplinary (Davidsson, 1989).

The origin of the term. From the 18th century, economists began to discuss the phenomenon of entrepreneurship, and the interest aroused by this subject persisted throughout the 19th and 20th centuries when it was associated with capitalism and, consequently, with free enterprise. (Kuratko & Hodgetts, 2004). According to Kuratko and Hodgetts (2004, p. 29), these discussions and analyses recognized that "entrepreneurs serve as agents of change; to bring creative and innovative ideas to business enterprises; and help businesses grow and become profitable."

Schumpeter (1934) credits Mill (1848) with introducing the term "entrepreneurship" into general usage among economists. Mill (1848) believed that risk-taking is a critical factor that distinguishes a manager from an entrepreneur. The idea of taking risks was an integral part of Cantillon. Around 1755, in his book *The Evolution of Economic Thought and Business Risks*, the entrepreneur described the entrepreneur as a rational decision-maker who takes risks and manages finances (Kilby, 1971). Consistently, Say (2003) [initially published in 1832] set the significance of the entrepreneur for the economic growth of the community by calling him the "adventurer."

Notwithstanding the consistent usage of behavioral processes to define the opening of a new business, it was only in the twentieth century that the entrepreneur as a person started to be examined. It started with Schumpeter (1961) discussing creative

destruction in building an entrepreneur. McClelland (1961) explored the features and aspects of the achievement need of the entrepreneur. Then Maslow (1965) theorized about the motivational factors that guide a person to evolve into an entrepreneur. The social role of the entrepreneur was explored by Shapero and Sokol (1982). Rotter (1990) suggested that locus of control is a personality characteristic inherent in the entrepreneur, and also Drucker (1993) and Miner (1997a) linked the entrepreneur to innovative economic manners. Further elucidating and worsening the historical tenet of entrepreneurship, Santos (2008), Hisrich and Kearney (2013) have made substantial contributions in these areas. The scope of entrepreneurship, or the breadth of its nature, can be seen in Table 1.1.

Table 1.1. Seven points of view on the nature of entrepreneurship

Perspective	Description
Creating wealth	Entrepreneurship involves taking on the risks associated with production activities in exchange for profit.
Creating a business	Entrepreneurship requires the creation of a new business where nothing like this existed before.
Creating innovation	Entrepreneurship takes care of unique combinations of resources that will make existing methods or products irrelevant.
Generating changes	Entrepreneurship involves creating change by adjusting, adapting, and modifying personal repertoire, approaches, and skills to find different opportunities available in the environment.
Job creation	Entrepreneurship is the employment, management, and development of factors of production, including labor.
Creating value	Entrepreneurship is creating value for customers through the use of untapped opportunities.
Generating growth	Entrepreneurship can be defined as a solid and positive orientation towards the growth of sales, income, resources, and employment.

Although the word "entrepreneur" in this new sense is recent, the entrepreneurial spirit has always been present in human history. It can be found from ancient civilizations to the present day. The evolution of thinking about entrepreneurship has come a long way from its prehistoric foundations, when innovation was still prevalent, to the present, when the interest of economists in the study of entrepreneurship. This can be seen in the number of recently published papers and the new emphasis on communication between personality and possibility.

From the pioneering contributions of Cantillon (1755) to Say (2003), Schumpeter (1961), McClelland (1961), Drucker (1993), Miner (1997a), Timmons (1999), Shane (2003), and many others, the study of entrepreneurship has evolved. Throughout this journey, the work of economists on risk (Cantillon, 1755), innovation, and economic development (Schumpeter, 1961) was added; psychologists on achievement needs (McClelland, 1961), motivation (Maslow, 2000), the control center (Rotter, 1966); sociologists, about the role of culture and the social environment (Shapero & Sokol, 1982), and many others.

1.2. Entrepreneurial potential

Social, behavioral, psychological, and individual aspects that encourage a person to take action can be considered converging factors of entrepreneurial potential. Brazeal and Kruger (1994, p. 91) say following about the entrepreneurial potential "before entrepreneurship appears, there must be potential for it," and conclude: "entrepreneurial potential ... requires potential entrepreneurs." It is understood here that potential is something hidden, subject to development, which may or may not happen. It is also understood that the presence of potential means the presence of traits or personal characteristics similar to those of people who have achieved success in the type of activity of interest. In the case of entrepreneurship, despite numerous criticisms about its connection with personality traits, it can be said, thanks to the results obtained

in more modern studies, that entrepreneurs have different characteristics compared to the rest of the population. (Mueller & Goich, 2002).

Identifying the entrepreneurial qualities of individuals who dream of their own businesses, start-ups, or even those who conduct the operation of their companies is a process that has been of interest to researchers for many years. Starting from the works of McClelland (1961) on the role of the need for achievement, indicating that the motivation of achievement plays a crucial role in the behavior of entrepreneurs, to the most recent, such as the works of Miner (1996, 1997a), presenting four typologies of entrepreneurial success. Several researchers have focused on actions that have certain psychological traits on the desire to undertake and then on creating a business, depending on the success achieved or not.

A tool for identifying entrepreneurial potential is important because it can help people to whom it is applied to determine the intensity of personal qualities that, according to the literature, are found in successful entrepreneurs.

Thus, based on the metacognitive model of McClelland (1972), Santos (2008) proposed to split the entrepreneurial potential into three dimensions (or blocks) that characterize a successful person in business. Namely: Achievements, Planning, and Power; and a supplementary characteristic connected to desirable criteria, the criterion of Entrepreneurial intention. Entrepreneurial intention is considered complementary to entrepreneurial potential. Since it is a deterrent criterion or vice versa, it activates entrepreneurship in favorable conditions, such as easy access to capital.

Within each block, there are factors that are defined as entrepreneurial attributes. The Achievements block contains the attributes of Recognition of Capabilities, Persistence, Striving for Quality, Efficiency, and Risk Management. The Planning block contains such factors as Information Retrieval, Goal Setting, Constant Control, and Continuous Planning. The Power block includes the Ability to Convince Others, the Ability to Organize, Self-Confidence, and the ability to establish a network of relationships. Furthermore, the focus of the entrepreneurial intention block lies in the desire to start or have an own business (Santos, 2008).

Santos (2008) developed a trial version of the Entrepreneurial Potential Scale based on this theoretical model. However, the factors "Quality," "Risk," and "Self-confidence" in empirical testing did not show satisfactory values of internal consistency. This inconsistency prevented the preservation of these factors as the main hidden structure of the Scale of Entrepreneurial Potential.

So Santos (2008) developed a Scale of entrepreneurial potential, taking into account that factors are configured as hidden observable behaviors. Table 1.2. provides specific characteristics of each of the factors of Entrepreneurial potential:

Table 1.2. Entrepreneurial potential characteristics for each attribute

Attribute	Characteristics
Entrepreneurial intention	Foreshadows the person's intention to own his own business, whether by acquiring from someone else or creating from scratch.
Opportunity	It shows that a person has a sense of opportunity, that is, awareness of what is happening around, and from there, determining the needs of people or the market, taking advantage of uncommon situations to start a new activity or business.
Persistence	The ability of a person to maintain firmness in the pursuit of success, demonstrate perseverance in achieving goals and objectives, overcoming obstacles along the way. The ability to distinguish stubbornness from perseverance, admit mistakes, and be able to redefine goals and strategies.
Effectiveness	The person's ability to do everything correctly and, if necessary, quickly make decisions to adapt to changes in the environment. The ability to find and implement ways to make things better, quicker, and cheaper. The ability to develop or use procedures to ensure timely completion of work. The ability to be proactive.
Information	Person's desire to learn and show a craving for knowledge. Interest in finding new information in his competence or even beyond it. Being aware of all the

	factors, internal and external, related to his company. Interest in knowing how to produce goods or provide services. The opportunity to seek help from specialists on technological or commercial issues.
Planning	The ability of a person to plan his activities by setting goals. Ability to plan tasks in detail. Ability to act with planning, execution, and control. Believe in the importance of planning.
Goals	The ability of a person to show determination, a sense of direction in setting goals and objectives, and clearly defining where he wants to go. The ability to determine measurable directions and goals.
Control	The ability of a person to monitor the implementation of the developed plans, keep records and use them in the decision-making process, check the scope of the results obtained, and make changes and adjustments if necessary.
Persuasion	The ability of a person to influence people concerning the performance of tasks or actions that allow them to achieve their goals. The ability to convince and motivate people, lead teams and stimulate them, using the right words and actions to influence and persuade.
Network	The person's ability to establish good relationships with acquaintances, friends, and people who can be helpful to him in achieving his goals.

Source: Santos (2008, p. 197-198).

1.3. Success in business

Success refers to achieving goals and objectives in any area of human life. Although success has been a widely studied topic in entrepreneurship, the literature lacks a clear definition and consensus on entrepreneurial success and has been interpreted differently (Perez & Caninno, 2009; Foley & Green, 1989). However, there is general agreement that society benefits from successful entrepreneurship (Casson, 2003).

Some of the many factors associated with entrepreneurial success are deducted from the literature, while others have been tested empirically. In this regard,

researchers (for example, Cooper, 1985; Santos, 2008) have reached a consensus regarding the definition of entrepreneurial success factors. These factors are generally classified into three levels: Individual factors (personality and behavior patterns), Internal factors (abilities, skills, knowledge, and working methods), and External factors (field and type of activity, infrastructure, partners, access to capital, political Wednesday, and other.)

In studies of entrepreneurial success, the individual factors of an entrepreneur have attracted the attention of researchers. According to Rauch and Frese (2007), entrepreneurial success is determined by setting goals and strategies. They also suggest that a strong influence on managerial practice shows the psychological qualities of an entrepreneur precisely. Hsu, Wiklund, and Cotton (2016) emphasized entrepreneurial skills and innate ability as crucial factors in business success. Resmi and Kamalanabhan (2010) consider the ability to manage the perceptions of others as a precursor to success factors associated with variables such as an individual's personality and skills. These authors see the entrepreneur as the central driver of business and primarily responsible for the economy's growth.

However, achieving success is not included in the basic principles of an entrepreneur, being limited to one type of behavior. Success is associated with developing managerial and strategic actions to achieve the result (Miner, 1997a). If, on the one hand, a successful entrepreneur is characterized by personality traits and a specific attitude toward business; on the other hand, maintaining a business in the market is, from an economic and financial point of view, a measure of success (Watson, Hogarth-Scott & Wilson, 1998; Perren, 2000; Amit, MacCrimmon, Zietsman & Oesch, 2000; Taormina & Lao, 2007).

2.Methodology

2.1 Type of research

The research methodology is descriptive in conducting research and quantitative in analysis. The purpose is to identify possible elements of convergence and explain entrepreneurial potential concerning business success (entrepreneurial success). According to Gay (1992), descriptive research involves collecting data to answer research questions, provide detailed information, and explain or confirm some hypothesis or goal for a specific group of people.

2.2 Tools

Two research tools were used to conduct this study: a socio-demographic questionnaire and a scale of entrepreneurial potential (Santos, 2008).

The Entrepreneurial Potential Scale is a psychometric self-assessment test representing factor validity and internal consistency - with dimension, criterion, and confirmatory factor validity. The tool is an 11-point Likert scale [ranging from 0 = Totally disagree (no chance) to 10 = Totally agree (absolutely sure)], with 49 points identified among the following hidden factors: Entrepreneurial Intentions, Goals, Control, Effectiveness, Persuasion, Information, Opportunities, Perseverance, Planning and Networking. After the test was aimed at identifying characteristics that may indicate entrepreneurial potential, participants were asked to answer questions such as "One day I will definitely have my own business," "I can identify business opportunities and use them," and "I know that I can unite people into a team and achieve your goals." For full and unrestricted access to the Entrepreneurial potential scale and standards and technical specifications, see Santos (2008, p. 189).

The socio-demographic questionnaire aimed to understand and characterize the sample to compare possible contrasting groups among the participants. This additional questionnaire included the following elements: Gender, Age group, Level of education, Region of operation, Field of Activity, and Age of the Company.

2.3 Sample

Based on the Scale of Entrepreneurial Potential, the survey was completed by 61 entrepreneurs from Kazakhstan who satisfied the criteria for participation in the analysis, both successful entrepreneurs (n = 38) and entrepreneurs who failed (n = 23).

Since, on average less than 50 percent of new enterprises survive in the first five years after their launch (Fritsch & Weyh, 2006), the 5-year threshold in the market is one of the signs of business success. Thus, the definition was put into effect based on two criteria: an entrepreneur who retains the same operational company for more than five years is considered a successful entrepreneur; an entrepreneur who closed the company within five years is considered an entrepreneur who failed.

Of the 61 participants in the analysis, 51% were women. The overwhelming majority (69%) of applicants were under the age of 25, and in this age group, 59% were women. Only 8% of entrepreneurs do not have a higher education. Table 2.1. demonstrates the sample's characteristics and socio-demographic data on respondents and their companies.

Table 2.1. Characteristics of the sample

Characteristics	N	%
Age group		
Until 25 years	22	36
From 26 to 35 years	15	25
From 36 to 45 years	6	10
From 46 to 55 years	13	21
More than 55 years	5	8
Education level		
General secondary	2	3

Secondary vocational	1	2
Undergraduate - incomplete	2	3
Undergraduate - complete	47	77
Master's	9	15
Region of performance		
City	50	82
Countryside	11	18
Field of activity		
Production	7	11
Commerce	20	33
Services	34	56
Age of the company		
Failure in less than 5 years	23	38
From 5 to 10 years	19	31
From 11 to 15 years	6	10
From 16 to 20 years	4	7
From 21 to 25 years	5	8
From 26 to 30 years	1	2
More than 30 years	3	5

Note: N = 61.

Source: Compiled by the author.

2.4. Data collection

The use of the tool was provided in a non-selective sample form, according to availability and individually for 61 entrepreneurs. Foremost, the respondents were informed about the anonymity and confidentiality of their responses. Voluntary participation was guaranteed and compliance with the ethical principles that govern research involving people. Participants were questioned online by filling out Google forms.

Then, it was necessary to verify the reliability of the collected data. So the Cronbach alpha test was used to check the internal consistency of the scale of entrepreneurial potential. Alpha provides us information about the degree to which each element in the set of elements correlates with at least one other element in the set, i.e., with the generality of elements (Cortina, 1993). The alpha value usually varies from 0 to 1, but it can also be negative with low element covariance. A general guideline for the acceptance level is Nunnally and Bernstein (1994) proposed value of 0.70, referred to as a low acceptance value for 'research purposes.' In terms of variance, this means that 70% of the variance in the estimates is significant, and 30% of the variance is due to error variance. We can view the alpha values for the elements of the Entrepreneurial Potential Scale in Table 2.2., which indicate good indicators and show that the respondents were very consistent and trusted their answers.

Table 2.2. Alpha values for the factors of the entrepreneurial potential scale

FACTORS	ITEMS	CRONBACH'S ALPHA
Entrepreneurial intention	4	0,626
Opportunity	5	0,801
Persistence	6	0,914
Efficiency	3	0,751
Information	5	0,848

Planning	4	0,784
Goals	7	0,932
Control	5	0,916
Persuasion	6	0,958
Network	4	0,838
Full scale without entrepreneurial intention	45	0,933
Full scale with entrepreneurial intention	49	0,928

Source: Compiled by the author.

2.5 Procedures and analysis

IBM/SPSS software was used for data processing and subsequent analysis. The Student's t-test for independent samples was applied for the first analysis. The t-test compared the average scores of successful entrepreneurs and entrepreneurs who failed for each factor (sums of points) from the scale of entrepreneurial potential. Based on the assumption that successful entrepreneurs have tremendous entrepreneurial potential - a statistically significant probability level is associated with $p < 0.05$ (two-tailed). The independent sample t-test compares the means of samples from two independent groups for a range scale variable when the distribution is roughly average (McCrum-Gardner, 2008). Leven's test did not reveal a uniformity of deviations by points. In all factors, the p-values were more significant than 0.05. Thus, the data was used in the first variant.

Then, following the guidance of Cohen (1992), the effect size (Cohen's d) of the t-test was proceeded, where d: 0.20, 0.50, and 0.80 correspond to small, medium, and large effects, respectively. At this point, the average values show a satisfactory t-criterion, while small values (above 0.3) mean that the t-criterion is only acceptable.

Logistic regression was used for the second analysis to check the effect of variables on the success or failure of entrepreneurs. It is a powerful instrument that

simultaneously analyzes several independent variables while decreasing the influence of distorting factors (Sperandei, 2014).

For this particular case of entrepreneurs questioned in the study, two special categories make up the variable condition: success and failure. Hence, this variable turned out to be acceptable for the use of logistic regression due to its inappropriateness for linear regression. This analysis allows us to check to what extent variables among the respondents could influence the success or failure of the entrepreneur.

Independent variables (co-variables) were tested as predictors: Gender (Y1), Age (Y2), The score obtained on the scale of entrepreneurial potential (Y3), Entrepreneurial intentions (Y4), Field of activity (Y5), Region of action (Y6) and Level of education (Y7). Variables Y4, Y5, Y6, and Y7, had to be deleted, as the results of the Wald test showed that they degraded the model, making it statistically insignificant ($p = 0.05$). After that, the data was processed again.

The following indicators of the overall compliance of the model were used to estimate the logistic model :

- The Wald Test delivers the statistical value for the counted coefficients in the model. The permissible values are $p \leq 0.05$.
- The likelihood value verifies the null hypothesis that the model agrees well with the data.
- Nagelkerke's R² and Cox-Snell's R² are pseudo R² and assess the correspondence of the model, indicating, respectively, differences in the variation of the dependent variable and logarithmic odds ratio. More elevated values mean a better fit. However, it cannot get the highest 1 value.
- The Hosmer-Lemeshow test is the last adjustment value and calculates the correlation between the fundamental values and the expected values of the dependent variable. The test is used to assess the model's predictive ability, which focuses on the dependent variable and not on the likelihood value (Hosmer & Lemeshow, 2000). A better match indicates a more negligible distinction between what is observed and

predicted. A negligible value displays a satisfactory fit (Hair, Black, Babin, Anderson, & Tatham., 2010).

At last, the Receiver Operating Characteristic (ROC) curve was used to test the quality of the logistic regression. It is a graphical illustration of the inverse relationship between sensitivity and specificity calculated for all possible thresholds. The graph's vertical axis points to the sensitivity or True Positive Rate. The graph's horizontal axis defines the proportion of false-positive (False Positive Rate=1-specificity) results (Van Erkel & Peter, 1998). In binary logistic regression, sensitivity refers to the percentage of correct predictions of 1 or 'success.' At the same time, specificity is the percentage of correct prognoses to a value of 0 or 'fail,' that is in the opposite category, (Garson, 2012). The area under the ROC curve measures the diagnostic accurateness of a test (Hanley, 1989). The area of ≥ 0.7 to < 0.8 under the ROC curve is acceptable to represent the discriminant capacity of the logistic regression, as suggested by Hosmer and Lemeshow (2000). Moreover, excellent discriminant capacity can be considered values equal to or greater than 0.8.

3. Results and discussion

3.1. Successful entrepreneurs versus entrepreneurs who have failed

In the examined sample ($n = 61$), the Student's t-test was applied to check whether there is a difference in entrepreneurial potential between a successful entrepreneur who has been working in the market for more than five years ($n = 38$) and entrepreneurs who have failed in less than five years ($n = 23$). Thus, it was verified that for each of the factors established, the average scores of successful entrepreneurs were higher than the average scores of entrepreneurs who failed, with significant differences ($p \leq 0.05$), except for the Information factor ($p = 0.662$). Table 3.1. indicates the mean values and standard deviations (SD), the values of the t-test, degrees of freedom (df), the significance value of p, the average difference associated with a 95% confidence interval, and the values of d for the magnitude of the effect of the t-test.

Table 3.1. Student's t test of successful entrepreneurs versus entrepreneurs who failed

Factors	SUCCESSFUL ENTREPRENEURS		ENTREPRENEURS WHO FAILED		STATISTICS					
	Mean	SD	Mean	SD	t	df	p	Difference of mean (95% CI)		d
								Lower	Upper	
Opportunity	8,61	1,337	8,11	1,423	1,375	59	0,174	-1,22	0,23	0,36
Persistence	8,96	1,252	8,46	1,534	1,386	59	0,171	-1,22	0,22	0,37
Efficiency	8,95	1,350	8,57	1,600	0,999	59	0,322	-1,15	0,38	0,26
Information	9,16	1,113	9,03	1,098	0,439	59	0,662	-0,71	0,46	0,12

Planning	8,33	1,734	7,79	1,607	1,201	59	0,235	-1,43	0,36	0,32
Goals	8,77	1,423	7,60	1,634	2,954	59	0,005	-1,97	-0,38	0,78
Control	8,13	1,892	7,10	2,378	1,854	59	0,069	-2,13	0,08	0,49
Persuasion	8,58	1,496	7,61	2,120	2,093	59	0,041	-1,90	-0,04	0,55
Network	8,83	1,222	8,52	1,588	0,849	59	0,399	-1,03	0,42	0,22
Entrepreneurial intention	8,87	1,344	8,38	1,572	1,289	59	0,203	-1,25	0,27	0,34
Full scale	8,70	1,204	8,09	1,301	1,870	59	0,066	-1,27	0,04	0,49
Full scale + entrepreneurial intention	8,72	1,171	8,12	1,216	1,913	59	0,061	-1,23	0,03	0,51

Source: Compiled by the author.

As can be noticed from Table 3.1., successful entrepreneurs scored higher on all factors than entrepreneurs who failed. Nevertheless, we note that the magnitude of the effect (d) was small only for the Efficiency factor (d=0,26), Information factor (d=0,12), and Network factor (d=0,22) – the difference between the groups was insignificant at a p-value of < 0.05. On the other hand, the extent of the effect (d) was average for the factors: Opportunity, Persistence, Planning, Control, Persuasion, and Entrepreneurial intention. Moreover, only the 'Goal' factor has a significant effect.

The strong influence of the "Goals" factor means that it can be seen as a critical and peculiar factor that determines the successful entrepreneur from those who fail.

Some empirical studies demonstrate the positive relationship between business development goals and productivity. For example, Free and Gielnik (2014) claim that strategies and goals significantly impact achieving entrepreneurial success and high business results. Gartner, Bird, and Star (1992) found a link between challenging goals and the future survival of entrepreneurial firms.

The medium results demonstrate that the difference between the two groups was significant, showing that successful business people have greater entrepreneurial potential than those who failed. In contrast, small results indicate only the existence of differences.

3.2. Predictors of success or failure of the entrepreneur

In the first part of the analysis, the sample was divided into successful and unsuccessful entrepreneurs. The criteria indicators (t-test and Cohen's d) (1992) showed that this division is noteworthy. Consequently, for the second analysis, the purpose of which was to check whether there are variables that can be viewed as predictors of the success or failure of the entrepreneur project, logistic regression was used.

The following overall model fit parameters were obtained (Table 3.2.) after testing the presented model:

Table 3.2. Overall model fit

DISCRIMINATION	RESULTS	
Log Likelihood (-2LL)	-2 log	67,831 ^a
Hosmer-Lemeshow Test	χ^2	5,788
	df	8
	p	0,671
Cox-Snell's R2	0,192	

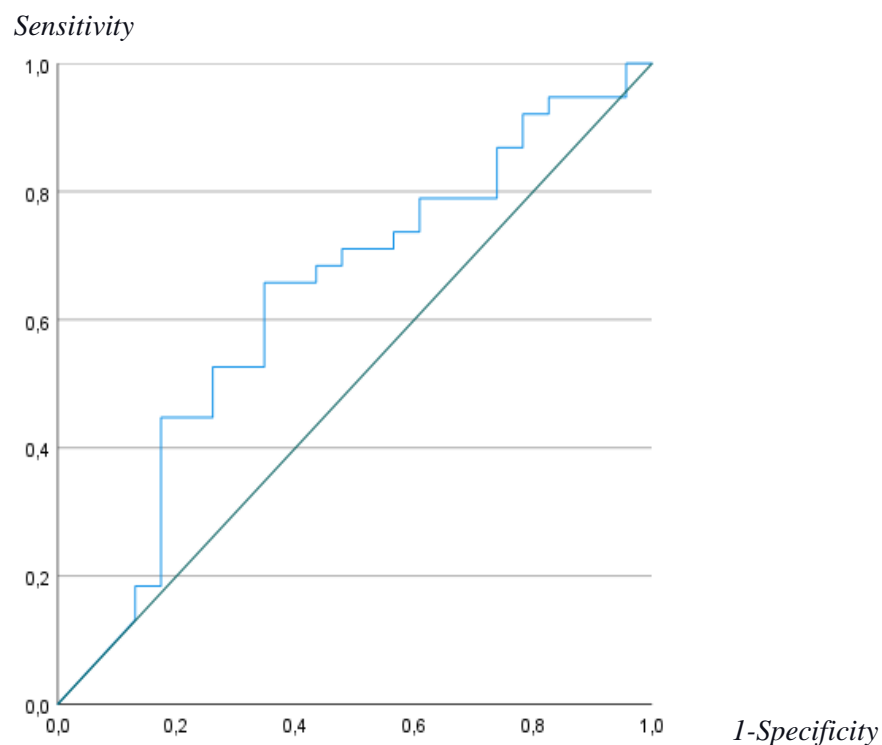
Nagelkerke's R2	0,262
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Source: Compiled by the author.

The values of the general model fit to reveal a satisfactory fit at an allowable level. The Hosmer-Lemeshow test (2000) assesses the exactness or predictive power where no meaningful value shows the sufficiency of the sample of the predictive model, given the accurate prognosis of the dependent variable. Likelihood values verify the model's suitability to fit the data well, i.e., nominal values. Cox-Snell's R2 means that 19.2% of the changes in the log odds ratio are due to changes that have occurred in the confounding variables. Besides, Nagelkerke's R2 implies that the model clarifies 26.2% of the variations that occurred in the dependent variable.

In addition, the ROC curve (Figure 3.1.) was used to test the predictive power of the logistic regression. The area under the ROC curve shows a value of 0.630, which is slightly lower by 0.07 points from good discriminant power (≥ 0.7 to < 0.8).

Figure 3.1. ROC curve (Receiver Operating Characteristic)



Note: The area under the ROC curve is 0.630.

Source: Compiled by the author.

The overall rate of hitting the ratings in the model was 65.5%. The model correctly predicted 65.8% (sensitivity) in case of success and correctly predicted 65.2% (specificity) in case of entrepreneur failure.

The variables (gender, age, and overall score on the Entrepreneurial Potential scale) were set in the equation (Table 3.3.) after checking the fit of the overall model, making it possible to calculate the coefficients for building a logit model. According to Wald's statistics, all coefficients were significant.

Table 3.3. Variables in the estimated equation model

DISCRIMINATION	B(1)	S.E. (2)	WALD	df	SIG.	EXP(B) (3)	95% CONFIDENCE INTERVAL FOR EXP(B)	
							LOWER	UPPER
Gender	0,963	0,598	2,594	1	0,107	2,621	0,811	8,463
Age	0,590	0,237	6,184	1	0,013	1,804	1,133	2,871
Total score	0,367	0,235	2,430	1	0,119	1,443	0,910	2,290
Constant	-4,361	2,107	4,284	1	0,038	0,013		

Source: Compiled by the author.

When analyzing the value for Exp(B) in Table 3.3., it was found that the variable with the highest chance of success was 'gender,' scoring 2.621. This value can be interpreted so that, while maintaining the stability of other covariates, male entrepreneurs are 2.6 times more likely to succeed than female entrepreneurs.

It should be noted that the percentage of men and women participating in this study is almost the same: 49% of men and 51% of women. Nevertheless, among the

entrepreneurs who failed within five years and closed their business, 65% and 35% were more women than men, respectively.

According to some studies, women's entrepreneurship today represents a vital component of the business sector worldwide (Poggesi, Mari & De Vita, 2016). Women are constantly advancing in the business environment, becoming as numerous entrepreneurs as men.

However, several indications indicate that this logistic regression's result is consistent and compatible with recent research. For instance, Cavada, Bobek & Maček (2017) report that women's entrepreneurship faces obstacles imposed by society, official institutions, and cultural and economic conditions, making it challenging to create or develop a new enterprise. Daulerio (2016) also points out that the financial performance of a company of female entrepreneurs is usually worse than that of a company of male entrepreneurs because women entrepreneurs have to combine work and family responsibilities (Constantinidis et al., 2018; Monteith & Camfield, 2019).

Gender issues also affect and limit women's access to financial, human, or social resources (Thebaud, 2015). This problem is related to the prejudice that female entrepreneurs, compared to men, may fail in converting resources into results. Such a negative experience in finding financing discourages them from turning to banks (Roper & Scott, 2009) and searching for additional external financing.

By definition, Kihlstrom and Laffont (1979) entrepreneurs are people who can cope with risky situations. In this context, the economic literature suggests that women may be less risk tolerant than men, although there is no consensus on this issue.

In its turn, the results may be different if the values of other related variables change. For illustration, if raise the indicator of entrepreneurial potential to 9, and leave the entrepreneur's values unchanged, then the possibility of success will increase several times. As earlier observed when using the t-test, there is a positive correlation between the score on the scale of entrepreneurial potential and the chances of business success. The higher the overall score on the scale of entrepreneurial potential, the greater probability of success for a business person.

This finding confirms the theoretical suggestion for a potential entrepreneur. As Krueger and Brazil (1994) discussed, entrepreneurial action—with an active and designed entrepreneurial intention—has as a forecaster the potential for doing an entrepreneurial activity, i.e., identical features in people who have reached success in business. Along the same lines, many studies attribute entrepreneurial success to behavioral factors (for instance, Rauch and Frese, 2007; Resmi & Kamalanabhan, 2010; Hsu et al., 2016).

Conclusions

The research aimed to test whether there is a difference in entrepreneurial potential between successful entrepreneurs and failed entrepreneurs; and whether there are variables that can predict entrepreneurial success or failure. The study emphasizes that the scale of entrepreneurial potential is effective in prognostic terms because it can demonstrate the distinction in potential between thriving entrepreneurs and entrepreneurs who have failed. The cut-off point, determined over five years of doing business to determine the success and failure of an entrepreneur, turned out to be an operationally sufficient division approach. The minimum five-year duration can be used further to evaluate an entrepreneur as successful.

According to the interpretation of the results of the analysis conducted in software IBM SPSS, it was discovered that the central link between entrepreneurial potential and business success is goal setting. Therefore, it can be concluded that this aspect may be an essential factor that should warn aspiring entrepreneurs or entrepreneurs who have failed in less than five years to provide themselves with a more promising chance of success in the market when starting their business. The entrepreneur should interpret the scale of entrepreneurial potential as an indicator of the excellent model of a successful entrepreneur according to the recommendations of Santos (2008). Thus, an entrepreneur should conduct a self-analysis of his assessment on the scale and try to precisely improve those factors that showed low scores, striving to raise the factors that help maintain the business in functioning order.

Logistic regression confirms the outcomes obtained using the t-test. The results reveal a positive correlation between the score on the scale of entrepreneurial potential and success in business. The higher the score on the scale of entrepreneurial potential, the greater the probability of entrepreneurial success. On the other hand, concerning the higher chance of failure anticipated by gender, it has been claimed that this result verifies recent studies (for instance, Cavada et al., 2017; Constantinidis et al., 2018; Monteith & Camfield, 2019; Thebaud, 2015; Roper & Scott, 2009).

This dissertation provides progress in the field of entrepreneurship research. The main advantage of the research is the practical operationalization of success and failure in business to test specific assumptions and determine primary and subsequent variables of entrepreneurial potential.

There are also *limitations* due to the small number of entrepreneurs observed the lack of reflection on socio-economic and contextual aspects, which is essential to identify the causal relationships between moderation and mediation. Therefore, even considering that other variables could have been sampled, research is beneficial in exploring and immersing business success in the face of behavioral prejudices associated with entrepreneurial potential.

Appendix A – Survey questions

Note: The survey was conducted through Google Forms in Russian

Раздел 1. Социально-демографический опросник:

- Укажите, пожалуйста, ваш пол (*мужской; женский*)
- Укажите, пожалуйста, ваш возраст (*до 25; 26-35; 36-45; 46-55; 56 и старше*)
- Укажите, пожалуйста, уровень вашего образования (*Среднее общее; Среднее профессиональное; Высшее неоконченное; Высшее; Магистратура; Докторантура (PhD); MBA*)
- Где вы осуществляете предпринимательскую деятельность? (*В городе; В сельской местности*)
- Какая у вас основная сфера деятельности? (*Производство; Коммерция; Услуги*)
- Сколько лет вашей компании? (*Заккрытие менее чем за 5 лет; 5-10; 11-15; 16-20; 21-25; 26-30; Более 30*)

Раздел 2. Шкала предпринимательского потенциала:

(варианты ответов были представлены в виде 11 бальной шкалы Лайкерта от 0 - полностью не согласен до 10 - полностью не согласен)

- 1) Когда-нибудь у меня обязательно будет свой бизнес
- 2) Даже если я буду работать на кого-то другого, я не откажусь от желания иметь свой бизнес
- 3) Моим самым большим достижением будет наличие собственного бизнеса
- 4) Будучи самозанятым, я всегда стремился стать предпринимателем
- 5) Я понимаю потребности других людей и то, как их можно удовлетворить
- 6) Мне нравится быть информированным о потребностях людей
- 7) Я живу в состоянии боевой готовности при любой возможности, которая может возникнуть
- 8) Я чувствую себя способным определить деловые возможности и извлечь из них прибыль
- 9) Я искренне верю, что возможности есть, и их нужно искать
- 10) Я понимаю, что препятствия существуют для того, чтобы их преодолевать
- 11) Когда я падаю, я встаю и продолжаю
- 12) Когда я допускаю ошибку в планировании, я переустанавливаю все и иду дальше
- 13) Я рассматриваю неудачу как источник обучения, чтобы не совершать ту же ошибку снова
- 14) Я не опускаю руки из-за неудач
- 15) Я постоянно стремлюсь к достижению своих целей..

- 16) Я люблю укладываться в сроки
- 17) Люблю делать свою работу правильно и в установленные сроки
- 18) При необходимости я вношу необходимые изменения, чтобы все заработало
- 19) Когда я работаю в определенной области, мне нужно узнать о ней все
- 20) Я хочу знать все больше и больше, потому что только так я вырвусь вперед
- 21) Я стараюсь быть в курсе вещей, имеющих отношение к тому, чем я занимаюсь
- 22) Мир динамичен, и мне нужно идти в ногу с ним, всегда стремясь к новым знаниям
- 23) При необходимости я обращаюсь за помощью к специалистам, которые научат меня делать вещи наилучшим образом
- 24) Я не могу ничего сделать без очень детального планирования
- 25) Те, кто не может спланировать свою деятельность, склонны к неудачам
- 26) Я знаю, правильно ли я поступаю, только если у меня есть план действий
- 27) Я определяю, куда я хочу пойти, и подробно описываю все шаги, которые я должен выполнить
- 28) То, чего я хочу достичь, четко определено
- 29) Я могу четко определить свои цели и задачи
- 30) Я знаю, что могу определить свои краткосрочные, среднесрочные и долгосрочные цели
- 31) Я знаю, куда я хочу пойти и чего хочу достичь
- 32) Я убежден, что добьюсь своих целей и задач
- 33) Я могу наметить курс и определить, какие выгоды я получу в конце
- 34) Мне нравится ставить цели и задачи, чтобы чувствовать вызов
- 35) Мои элементы управления помогают мне пересматривать свои планы
- 36) Я часто делаю заметки и записываю свои действия
- 37) Я сверяюсь со своими записями, прежде чем принимать решения
- 38) Я рассматриваю планирование как средство управления своими действиями
- 39) Я часто проверяю, все ли идет так, как я планировал
- 40) Я умею убеждать людей преодолевать конфликты и работать в команде для достижения определенного результата
- 41) Я могу стимулировать людей к выполнению задач, к которым они не мотивированы
- 42) Я знаю подходящие слова и действия для стимулирования людей
- 43) У меня есть способы убедить людей изменить свое мнение

- 44) Я действую, чтобы мотивировать людей и поддерживать моральный дух в любой ситуации
- 45) Я знаю, что способен руководить командой и достигать поставленных целей
- 46) Я стараюсь устанавливать хорошие отношения со знакомыми, друзьями и людьми, которые могут быть мне полезны
- 47) Я стараюсь поддерживать постоянный контакт с людьми, входящими в круг моих знакомых
- 48) Я могу легко поддерживать связь с людьми в моей сети
- 49) Всякий раз, когда я могу, я стараюсь отвечать на обращения ко мне просьбы людей из моей сети отношений

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