

Motivation, Success, and Problems of Entrepreneurs in Venezuela

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This study examines motivations of entrepreneurs in Venezuela, problems they face, and success factors. Results indicate that the desires of Venezuela based entrepreneurs to be one's own boss and to increase one's income are important motivators. Competition, a weak economy, and foreign exchange limitations are problems, while good general management skills, appropriate training, accurate record keeping, and political involvement are success factors. This paper examines multiple dimensions of entrepreneurs in a single context and so provides an integrated analysis. This paper also expands our understanding of Venezuela based entrepreneurs and contributes to the understanding of entrepreneurs around the globe.

INTRODUCTION

In the study of entrepreneurship, one recurring area of interest is what motivates individuals to become entrepreneurs. Why do people take financial risks, leave the safe environment of a job to pursue an uncertain future, and make the personal sacrifices required to start and grow a business? Kuratko, Hornsby and Nafziger (1997) argued that to understand the entrepreneurial process one needs to identify the motivation behind entrepreneurs' decisions. A number of factors have been found to motivate entrepreneurs, factors both internal and external to the entrepreneur (Kuratko, Hornsby, & Nafziger, 1997; Robichaud, McGraw, & Roger, 2001). The desire for independence/autonomy, family security, self-fulfillment, and growth, financial gain, as well as opportunity recognition are some of the factors that have been found to motivate individuals to engage in entrepreneurship (e.g., Chu, Benzing & McGee, 2007).

Another frequently studied area of entrepreneurship addresses the problems and challenges entrepreneurs face (Alcan & Kaput, 2008). The lack of funding, competition, high cash burn rate, lack of legitimacy, management team formation, identifying an appropriate market segment, protecting intellectual property, operational issues, and legal/regulatory issues are some of the problems entrepreneurs experience (e.g. Chu et al., 2007). These problems can be quite difficult to address and may threaten the startup and growth of a new business.

A third area entrepreneurship research addresses is the factors that contribute to entrepreneurs' success and that of their business. Factors related to entrepreneurs' success include managerial skills, education, experience and training, psychological traits, social networks and environmental conditions (Benzing, Chu & Kara, 2009; Zimmerman & Jiang, 2009).

While there is significant body of research examining the motivations and success factors of, as well as problems faced by entrepreneurs, much of the research has been conducted within developed economies. While many of these motivations, success factors and problems are common to entrepreneurs across countries and regions, there are some differences between entrepreneurs operating within developing vs. developed economies (Benzing et al., 2009; Chu, et al., 2007; McMullen, Bagby, & Palich, 2008). The differences in motivation and problems of entrepreneurs may be due to political, economic, and cultural factors of the country in which the business is located (Chu et al., 2007; Cook, 2001, Levy, 1993; McMullen et al., 2008; Minniti, 2008; Yalcin & Kapu, 2008). In this paper, we study entrepreneurs in one developing country, Venezuela. We collected data from approximately 300 entrepreneurs operating in Venezuela.

Venezuela, officially the Bolivarian Republic of Venezuela, is organized as a federal republic, and is led by President Hugo Chavez Friase. Venezuela is an emerging/developing nation (International Monetary Fund). Much of the Venezuelan economy is dominated by and dependent upon the petroleum industry, which accounts for approximately 95% of export earnings, approximately 40% of the country's federal budget revenues, and approximately 12% of GDP (The World Fact Book). The sustainable development of non-oil related business appears unlikely (The Economist). In January 2011, the second devaluation of the national currency was announced by President Chavez within a twelve month period (The World Fact Book). In addition to heavy dependence upon the petroleum industry, the country's regulations and economic policies have resulted in significant inflation. In 2007, the Gross Domestic Product increased by 8.4% and the Consumer Price Index increased by 18.7% (International Monetary Fund). According to the Global Entrepreneurship Monitor (2009), 14.5% of Venezuelan adults are engaged in a new venture. Entrepreneurs in Venezuela are respected and viewed as skilled, competent, and possessing a high level of status. Among the 31 countries in the Global Entrepreneurship Monitor study, Venezuela was ranked as the second highest in terms of the number of startups/new firms (Orford, Wood, Herrington & Fischer, 2004).

We believe that the paper makes several important contributions. First, it provides data on entrepreneurs operating in Venezuela, a group of entrepreneurs not often studied. Second, studying entrepreneurs in Venezuela contributes to the study of entrepreneurs around the globe. According to Yalcin and Kapu (2008) diverse empirical evidence, especially evidence from different countries, can enrich the literature on entrepreneurial motivations. In addition, because Venezuela is considered to be a developing economy (International Monetary Fund) our study provides insight on entrepreneurs operating in a developing economy. Finally, by examining the motivations, problems, and success factors of entrepreneurs in Venezuela we can look at multiple dimensions of entrepreneurs in a single context and so provide an integrated analysis.

We begin with a review of literature on motivations of entrepreneurs, the problems they face and factors related to the success of entrepreneurs. We then present our methodology and analysis of our data followed by our results. We discuss the results and conclude with implications, limitations and areas for future research.

LITERATURE REVIEW

According to Yalcin and Kapu (2008), the motives and problems of entrepreneurs are two of the important dimensions to consider in studying the entrepreneurship process. Motives provide insight into the entrepreneurs' intentions, and problems affect the startup and growth of a business (Yalcin & Kapu, 2008). A third important dimension of entrepreneurship research involves factors that are related to entrepreneurial success (Benzing et al., 2009).

Factors Motivating Entrepreneurs

Understanding what motivates individuals to engage in entrepreneurship (Yalcin & Kapu, 2008) is important in the study of business creation. Excluding motivation from the study of business creation results in an incomplete theory (Herron & Sapienza, 1992). Kuratko and colleagues (1997) argued that to

understand the entrepreneurial process, one must understand entrepreneurs' motivation to start and sustain their venture. Carsrud and Brannback (2011) argued that motivation is the link between the intention and action of entrepreneurs, and there appears to be a relationship between motivation and performance (Herron & Robinson, 1993; Kuratko et al., 1997).

Motivating factors can be either internal or external to the entrepreneur (Kuratko et al., 1997; Robichaud et al., 2001). Kuratko et al., (1997) classified motivators into four categories: extrinsic rewards, independence/ autonomy, intrinsic rewards, and family security. Yalcin and Kapu (2008) classified entrepreneurial motivations into four categories: financial, recognition, freedom, and family tradition (i.e., the motive to continue the family business and to imitate family members). Motivating factors can also be classified as push or pull factors. "Push factors include the need to increase family income, dissatisfaction with a salary-based job, problems with finding an appropriate job and the need for flexibility for family responsibilities." Pull factors include "the need for independence, self-actualization, increased status quo and reputation in society" (Yalcin & Kapu, 2008, pp.188-189). "Instincts (motives) drive behavior where the goal is to survive, to succeed, and to avoid failure," and motives have been used to address the question what causes a person to take action (Carsrud & Brannback, 2011, p.11).

Factors that have been found to motivate entrepreneurs include the desire for independence/ autonomy, family security, self-fulfillment, growth, financial gain, and opportunity recognition (e.g., Chu et al., 2007). In their study of Kyrgyzstan entrepreneurs, Yalcin and Kapu (2008) found the desire to earn more money and the lack of appropriate job opportunities to be the key motivators. Chu et al. (2007) found that among Kenyan and Ghanaian entrepreneurs the top motivators were increasing income, creating a job for oneself, personal satisfaction and growth, and job security. Entrepreneurs in Romania are motivated by the opportunity to increase their income and to provide job security (Benzing, Chu & Szabo, 2005), and Ugandan entrepreneurs' primary motivation was to make a living/money (Bewayo, 1995). In their study of North, Central, and South Vietnamese entrepreneurs, Swierczek and Ha (2003) found that entrepreneurs were motivated by challenge and achievement. Benzing, Chu & Callanan (2005) found Vietnamese entrepreneurs were motivated by the desire for personal satisfaction and growth and to provide jobs for family members and the entrepreneur. In Turkey, the motivation to increase income, job security, as well as personal freedom and independence were important to entrepreneurs (Benzing et al., 2009). Filipino entrepreneurs were found to be motivated by the desire to earn more money and to be independent (Chu, Leach & Manuel, 1998). Although (e.g. Wang, Prieto, & Hinrichs, 2010) there appear to be some similarities in the motivation of entrepreneurs around the globe, there are some differences as well.

Problems Facing Entrepreneurs

In addition to factors that motivate entrepreneurs, another frequently studied dimension of entrepreneurship research addresses the problems faced by entrepreneurs (Yalcin & Kapu, 2008). Entrepreneurs face many problems. Problems such as the liability of newness, lack of funding, competition, cash burn, building legitimacy, forming a management team, identifying an appropriate market segment, protecting intellectual property, operational issues, and legal/regulatory issues can be very difficult for entrepreneurs (e.g., Stinchcombe, 1965; Zimmerman & Zeitz, 2002). Alpander, Carter, and Forsgren (1990) identified ten critical problems encountered by entrepreneurs in their first three years in business: finding new customers, obtaining financing, recruiting and hiring new employees, recruiting and hiring new managers, dealing with current employee problems, product pricing, planning for market expansion, handling legal problems, product quality, and dealing with government agencies.

In developing countries an unstable and bureaucratic business context is a common problem. For example, entrepreneurs in Africa struggle with laws governing private enterprises. They struggle with the poor design and/or enforcement of contract and private property laws, as well as overly complex business registration and tax systems (Chu et al., 2007). Kenyan entrepreneurs identified a weak economy as their most pressing problem followed by competition and unreliable/undependable employees. Entrepreneurs in Ghana also identified a weak economy as the most pressing problem, followed by access to short- and long-term funding (Chu et al., 2007). Turkish entrepreneurs reported the complexity of the tax structure

and its lack of clarity, lack of employee reliability and dependability, and the inability to maintain accurate accounting records to be the most pressing problems they face (Benzing et al., 2009; Chu, Kara, & Benzing, 2008). Hisrich (1988) found the most significant problem for entrepreneurs in Northern Ireland to be funding followed by marketing, weak collateral and technological development. Entrepreneurs in Kyrgyzstan, Yalcin and Kapu (2008) reported red tape, funding, high taxes, and labor to be the biggest problems they faced. In Vietnam, Benzing, Chu and Callanan (2005) found that the most pressing problems for entrepreneurs were competition, unreliable/undependable employees, and difficulty in obtaining short- and long-term capital. The difficulty in obtaining capital is a problem for owners of most small and medium size enterprises operating in developing and transition economies (Benzing, Chu & Szabo, 2005), and without adequate capital the success and growth of their business is limited (Chu et al., 2008).

Success Factors of Entrepreneurs

A third dimension of entrepreneurship research addresses variables which contribute to business success. According Benzing et al., (2009) most studies which examine the success of entrepreneurial businesses focus on three sets of variables: the external environment (e.g., industry conditions), entrepreneurs' managerial skills and training (e.g., maintaining accounting records), and entrepreneurs' psychological and personality traits (e.g. drive for independence).

Another factor linked to entrepreneurs' success is capital. While financial capital can be difficult to access, it can be a great asset. In addition to financial capital, three other forms of capital are also important to the success of entrepreneurs. Three such forms of capital that have been identified are human-, social-, and reputational capital (Zimmerman & Jiang, 2009). Human capital is an individual's knowledge and skills (Becker, 1964) and is important in entrepreneurial discovery, problem solving, adapting to change, and implementing new technologies (e.g., Davidsson & Honig, 2003; Shrader & Siegel, 2007; Siegel, Waldman & Youngdahl, 1997). Two critical components of human capital are education (e.g., Bantel & Jackson, 1989; Norburn & Birley, 1998) and prior experience (e.g., Fischer & Pollock, 2004; Hambrick & Mason, 1984). Social capital, often thought of as social networks, is a set of social resources embedded in relationships (Burt, 1992; Tsai & Ghoshal, 1998) and is derived not only from networks, but also from norms of and relationships in the social structure in which a person operates (Putnam, 1995). Reputational capital refers to social resources and legitimacy certified by well-regarded individuals and organizations (Honig & Antoncic, 2003; Oliver, 1997; Powell & DiMaggio, 1991), and it accrues from a good reputation (Fombrun, 1996).

Benzing et al., (2009) identified reputation for honesty, charisma/ friendliness, and good customer service as key success factors among Turkish entrepreneurs. Similarly, Hungarian entrepreneurs valued charisma/friendliness, good customer service, and reputation for honesty as important success factors (Benzing, Chu & Szabo, 2005). Romanian entrepreneurs added hard work to the list of success factors important to Hungarian entrepreneurs (Benzing et al., 2005). Entrepreneurs in Vietnam also reported reputation for honesty, charisma/friendliness, and good customer service as key success factors as well as providing a good product at a competitive price (Benzing et al., 2005).

RESEARCH METHODOLOGY

Survey Questionnaire

The survey used in this study was developed by Hung M. Chu (Chu & Katsioloudes, 2001) and has been used in a number of studies (Benzing, Chu & Callanan, 2005; Chu & Katsioloudes, 2001; Chu et al., 2007). The questionnaire survey consists of 26 questions which are divided into four sets of questions. The first set of questions addresses ownership, types and age of business, number and category of employees. The second set focuses on personal information on the business owner such as his/her age, gender, marital status, educational level and work history. The third set of questions addresses the entrepreneur's daily experiences and expectations including questions focusing on motivations, problems,

and sources of success or failure. The fourth set of questions addresses perceived success, stress, and support.

Sample and Data Collection

Potential subjects of the study were identified and randomly selected through the use of Chamber of Commerce directories in Venezuela. Nonprofit organizations, government owned enterprises, and any business engaged in street transactions were disregarded. For the purpose of this study, an entrepreneur is defined as an individual who owns and operates an independent retail, wholesale, service or manufacturing business. The data were obtained through face-to-face interviews of entrepreneurs conducted by a Venezuela university graduate assistant. The sample consists of two hundred and ninety seven usable interviews.

The motivation items and perceived success items were measured using a 5 point- Likert Scale. The problem items were measured using a 4 point scale. The perceived success, stress and support questions were measured using 4 and 5 point Likert Scales. A mean score for each item was calculated, where a higher mean score indicates greater importance.

RESULTS

The characteristics of the businesses and business owners surveyed are presented in Table 1. The majority of the businesses owned by the entrepreneurs surveyed were retail based businesses, slightly under 70% (69.12%). Approximately 20% (20.22%) of the businesses were service based businesses, 6.25% were wholesale businesses, 3.69% were manufacturing businesses, and less than 1% of the businesses were agriculture based businesses. The average age of all of the businesses was 9.19 years. Businesses owned by men (mean of 9.88 years) were older than those owned by women (mean of 7.38 years). The mean business size was 6.48 full-time employees and 3.99 part-time employees. The majority of the businesses were established by the respondent (58.25%), followed by those bought from the previous owner (20.20%). Almost ten percent (9.43%) of the businesses were inherited, approximately five percent (5.05%) were franchises, over three percent (3.37%) were independently owned, just over two percent (2.02%) were partnerships, and less than two percent (1.68%) reported some other means of establishment.

In terms of the business owners, 72.05% of the sample was male and 27.95% were female. The mean age of the business owners surveyed was 42.97 years. The mean age of the male business owners was higher (44.44 years) than the mean age of the female owners (39.21 years). Almost 67% (66.85%) of the entrepreneurs surveyed were married compared to approximately 33% (33.15%) who were single. In terms of education, 212 respondents (71.37%) reported having at least some college education or higher. Included in that figure are 28 respondents (9.42%) who completed some graduate work or who completed a graduate degree. Finally, the mean number of hours worked per week by the respondents was almost 47 hours.

TABLE 1
CHARACTERISTICS OF ENTREPRENEURS AND THEIR BUSINESS

Type of Business	Frequency (Count)	Percent
Retailing	188	69.12
Service	55	20.22
Wholesaling	17	6.25
Manufacturing	10	3.68
Agriculture	2	0.74
Average Age of Business	Mean	Standard Deviation
Sample	9.19	7.70
Male	9.88	8.18
Female	7.38	6.01
Average Number of Employees	Mean	Standard Deviation
Full Time	6.48	14.00
Part Time	3.99	9.27
Type of Business Ownership	Frequency	Percent
Established by you	173	58.25
Bought from another Owner	60	20.20
Inherited	28	9.43
Independently owned	10	3.37
Franchise Business	15	5.05
Owned in Partnership	6	2.02
Other	5	1.68
Gender	Frequency	Percent
Male	214	72.05
Female	83	27.95
Average Age (Years)	Mean	Standard Deviation
Sample	42.97	11.39
Male	44.44	11.60
Female	39.21	10.08
Educational level	Frequency	Percent
Completed Grade School	6	2.02
Some high School	22	7.41
Completed High School	57	19.19
Some College	99	33.33
Completed College	85	28.62
Some Graduate Work	20	6.73
A graduate Degree	8	2.69
Marital Status	Frequency	Percent
Married	119	66.85
Single	59	33.15
Average working hours/week	46.91	12.31

Motivation to Become a Business Owner

The motivation factors were measured using a five-point Likert scale, in which five (5) indicated the factor was important and one (1) indicated that the factor was not important. The mean score and standard deviation were computed for each item. Respondents were asked to rate 12 motivations for owning a business. Table 3 shows that the two most important reasons to become a business owner were “to be my

own boss” (mean of 4.73) and “to increase my income” (mean of 4.73). Other important reasons included “for my own satisfaction and growth” (mean of 4.68), “so I will always have job security” (mean of 4.63), and “to prove I can do it” (mean of 4.62). The lowest rated factors among those presented were “any other reason” (mean of 4.13), “to be closer to my family” (mean of 4.30), and “to build a business to pass on” (mean of 4.34).

TABLE 2
MOTIVATIONAL FACTORS

Factors	Mean	Standard Deviation
To be my own boss	4.73	0.79
To be able to use my past experience and training	4.51	0.92
To prove I can do it	4.62	0.85
To increase my income	4.73	0.79
To gain public recognition	4.57	0.98
To provide jobs for family members	4.44	1.02
For my own satisfaction and growth	4.68	0.83
So I will always have job security	4.63	0.86
To build a business to pass on	4.34	1.19
To maintain my personal freedom	4.54	0.95
To be closer to my family	4.30	1.17
Any other reason	4.13	1.39

N = 297

Problems of Entrepreneurs

Respondents were asked to rate 17 problems in terms of their importance to the entrepreneur using a four-point Likert scale in which four (4) indicated the item was important and one (1) indicated the item was not a problem. The mean score and standard deviation were computed for each item. Results presented in Table 4 indicate that a “weak economy” was rated as the most important problem (mean of 3.82), followed by “too much competition” (3.63), and “foreign exchange limitations” (3.40). The problems rated least important were largely related to infrastructure, “electricity problems” (2.18), “poor roads/transportation” (2.55), and “limited parking” (2.63). “Any other problem you face” was rated as the least important factor (1.00).

TABLE 3
PROBLEMS FACED BY ENTREPRENEURS

Problems	Mean	Standard Deviation
Unreliable and undependable employees	3.22	1.34
Too much competition	3.63	1.22
Obtaining short-term financial capital	3.28	1.36
Obtaining long-term financial capital	3.32	1.35
Too much government regulation/bureaucracy	3.11	1.37
Limited parking	2.63	1.34
Unsafe location	3.11	2.71
Weak economy	3.82	1.32
Lack of management training	2.87	1.37
Lack of marketing training	2.84	1.32
Inability to maintain accurate and informative accounting records	3.02	1.34
Complex and confusing tax structure	3.16	1.28

Business registration process	2.93	1.25
Foreign exchange limitations	3.40	1.37
Poor roads/transportation	2.55	1.27
Electricity problems	2.18	1.37
Any other problem you face	1.00	

N= 297

Perceived Success Factors

Using a five-point Likert scale, with five (5) being extremely important and one (1) being least important, the Venezuelan business owners in the sample rated their perception of 17 items in relation to their success. As shown on Table 4, the four highest rated factors, each rated a mean of 4.73, were “good general management skills,” “appropriate training,” “maintenance of accurate records of sales/expenses,” and “political involvement.” Those items rated as least important were “location” (4.13), “hard-work” (4.30), and “good product at a competitive price” (4.34).

TABLE 4
PERCEIVED SUCCESS FACTORS

Success Factors	Mean	Standard Deviation
Good general management skills	4.73	0.79
Charisma; friendliness to customers	4.51	0.92
Satisfactory government support	4.62	0.85
Appropriate training	4.73	0.79
Access to capital	4.57	0.98
Previous business experience	4.44	1.02
Support of family and friends	4.68	0.83
Marketing factors such as sales promotion	4.63	0.86
Good product at a competitive price	4.34	1.19
Good customer service	4.54	0.95
Hard-work	4.30	1.17
Location	4.13	1.39
Maintenance of accurate records of sales/expenses	4.73	0.79
Ability to manage personnel	4.51	0.92
Community involvement	4.62	0.85
Political involvement	4.73	0.79
Reputation for honesty	4.57	0.98

N = 297

Success, Satisfaction, and Stress

Results from a series of questions on success, satisfaction, and stress are shown in Table 5. Using a four-point Likert scale, with 1 as below average, 2 as average, 3 as successful, and 4 as very successful, business owners were asked how they would describe their business success. The mean score of the success item was a 3.13, which falls between successful and very successful. In response to a question regarding extent of satisfaction with business success (using a five-point Likert scale with 1 as very dissatisfied, 3 as somewhat satisfied, and 5 as very satisfied) the mean response was 2.90 indicating the respondents’ expectations were approaching some level of satisfaction. When asked how well one’s success met his/her expectations (using a four-point Likert scale, with 1 as did not meet my expectations, 2 as somewhat met my expectations, 3 as met my expectations, and 4 as more than I expected), the mean response was 3.07 which just slightly exceeded meeting the entrepreneurs’ expectations. When questioned on the level of business-related stress using a 5-point Likert scale ranging from 1 being

nonexistent stress and 5 being very high stress, the mean response was 3.72 indicating that on average the respondents' stress level approached a high level. Finally, in response to a question on the support from family and friends, with 1 being very low and 5 being very substantial, the mean response was 1.91 indicating a relatively low level of support.

TABLE 5
SUCCESS, STRESS, AND SUPPORT OF ENTREPRENEURS

Question	Mean	Standard Deviation
1. How would you describe your business success? (1 = below average; 2 = average; 3 = successful; 4 = very successful)	3.13	0.598
2. To what extent are you satisfied with your business success? (1 = very dissatisfied; 2 = dissatisfied; 3 = somewhat satisfied; 4 = satisfied; 5 = very satisfied)	2.90	0.656
3. How well has your success met your expectations? (1 = did not meet my expectations; 2 = somewhat met my expectations; 3 = met my expectations; 4 = more than I expected)	3.07	0.604
4. As a business owner, how would you rate the level of business-related stress? (1 = nonexistent; 2 = very low; 3 = low; 4 = high; 5 = very high)	3.72	0.666
4. How would you rate the support from family and friends? (1 = very low; 2 = low; 3 = medium; 4 = substantial; 5 = very substantial)	1.91	0.727

N = 297

DISCUSSION AND CONCLUSION

In our study of the motivation, problems and success factors of entrepreneurs operating in Venezuela we found some interesting results. Many of our findings were consistent with previous studies. The predominance of male entrepreneurs in our sample support the most recent GEM findings that in Venezuela a higher rate of males engage in entrepreneurship than females (Global Entrepreneurship Monitor, 2009). We found that the mean age of entrepreneurs studied in our sample was 43 years, which corresponds to the Global Entrepreneurship Monitor (2009) study which reported that persons between the ages of 35 and 44 made up the largest group of entrepreneurs. The mean age of the businesses was 9.19 years, which is relatively early in a business' existence but beyond the startup stage and the challenges experienced at startup. The majority of businesses were started by the entrepreneur, and so the entrepreneur is quite familiar with the problems and success factors of the business since its inception. The mean size of the businesses was 6.48 full-time employees, and can be classified as microenterprises. The businesses were staffed largely by full-time employees rather than part-time employees. Finally, the entrepreneurs in the sample worked longer hours than the traditional US 40 hour workweek but shorter than the workweek of many US entrepreneurs and professionals.

In examining the motivations for business ownership among entrepreneurs in Venezuela, we found some interesting results. The factors most important in motivating the respondents were the desire to be one's own boss and the desire to increase income. The motivation to be one's own boss and the motivation to increase income are common among entrepreneurs operating in developing nations (Chu et al., 2007). The Global Entrepreneurship Monitor (2009) indicated that the most entrepreneurial individuals are those with low income. In addition to the desire to be one's own boss and to increase income, satisfaction/growth was ranked third highest in importance. Given the challenging economic conditions entrepreneurs in Venezuela face, including the high rate of inflation (Country Watch), it is not surprising that entrepreneurs in Venezuela rank "to increase my income" high among the motivations

presented. Because satisfaction/growth is a common motivation of entrepreneurs, the high rank given to satisfaction/growth is not surprising.

The level of education of the entrepreneurs surveyed was high which may contribute to the desire for satisfaction/growth. Job security was ranked fourth. Given the unemployment rate (8.1% in 2010 and 8.2% in 2011) (World Fact Book), high inflation rate, and the rather uncertain economy of Venezuela (Country Watch), the motivation for job security for the Venezuela entrepreneurs surveyed is not surprising. The desire for job security may also be related to the high uncertainty avoidance of Venezuelans which suggests a low tolerance for uncertainty and risk averseness (Geert Hofstede). Uncertainty and risk averseness, however, are common in starting and owning a business. Also noteworthy is that Venezuelans have a relatively low level of individualism (Geert Hofstede), and yet the entrepreneurs surveyed reported the desire to be one's own boss as important.

Of the problems presented, a weak economy was rated as the most important problem. This is not surprising given the economic conditions in which Venezuelan entrepreneurs operate conditions that include high inflation and heavy dependence upon the petroleum industry (Country Watch). The problem rated second most important is competition. Competition is a key issue facing many companies and is one of Porter's five forces (i.e., rivalry) (Porter, 1987). Another highly ranked problem is foreign exchange limitations. Although Venezuela implemented stringent foreign exchange controls in 2003 including a fixed official rate of exchange (US Department of State), foreign exchange was identified as a problem facing entrepreneurs in Venezuela.

Although all entrepreneurs face problems, entrepreneurs in developing countries face a unique set of problems (Chu, et al., 2007; Cook, 2001, Levy, 1993). "Entrepreneurs in developing, poor, or transitional countries may have more problems because political, economic, and business environments are relatively more unstable" (Benzing et al., 2005, p.191). Yalcin and Kapu found that although the startup and survival of a new venture is always challenging, "unfavorable conditions especially prevalent in less affluent, developing, and transitional economies" are especially difficult (2008, p.185). Benzing et al. argued that in transitional economies the macroeconomic policies "often fuel inflation, keep interest rates high, and stifle foreign investment" (2005, p.8). Yalcin and Kapu indicated that in transitioning economies, problems include a "lack of entrepreneurial culture, existence of formal business environment, attitudes and values, lack of knowledge and skills, unstable taxation policies, lack of capital, overregulation, undeveloped legal system, business infrastructure, and the mafia" (2008, p.199).

In terms of the success factors, entrepreneurs ranked equally as the most important factor in their success were good general management skills, appropriate training, maintenance of accurate records of sales/expenses, and political involvement. Prior research supports the importance of managerial skills and education in relation to the success of a business (Benzing et al., 2009; Zimmerman & Jiang, 2009). Another interesting consideration is that the mean age of the businesses studied was nine years. At that point in the life of the business, the challenges of the tumultuous startup period have passed and general management of the business and record keeping are important to the ongoing operation and growth of the business. The well-educated entrepreneurs studied (i.e., nearly two thirds of the respondents have at least some college education) recognize the importance of education and training; they ranked appropriate training high among the success factors. With regard to the importance placed upon political involvement, it is noteworthy in light of the country's political situation at the time of the survey. Venezuela's political climate is considered very polarized and volatile (US Department of State). It is also quite bureaucratic. Entrepreneurs in Venezuela reported that they had to visit many offices to get the necessary information and assistance to create their company (Global Entrepreneurship Monitor, 2009).

The entrepreneurs in this study rated themselves as successful. Because subjective performance measures have been found to be highly correlated with objective measures of performance (Dess & Robinson, 1984), the entrepreneurs' response suggests that they are successful. Not only did they report themselves as successful, but the entrepreneurs also indicated that their success met their expectations. They were not, however, satisfied with their business success. Perhaps this is due to the high importance they placed upon personal satisfaction/growth as a motivating factor. Given the close tie of the entrepreneur to

his/her business if s/he experienced dissatisfaction with their personal growth within the business s/he may be dissatisfied with the business success.

The entrepreneurs reported a moderate level of stress. Entrepreneurship is often thought of as a high stress endeavor. The many challenges that entrepreneurs face including cash flow and risk often create stress. Perhaps the entrepreneurs' success meeting their expectations and the success of the business lessened their stress level. The average age of the business might also be related to the moderate level of stress reported: the average business age was nine years. By year nine, the business has survived the challenges of the early years and for many businesses such survival allows the focus to be placed on operations and growth. The entrepreneurs were not without some level of stress, however. The stress may be due to the entrepreneurs' lack of satisfaction with their business success and/or the low level of support from family and friends reported.

This study extends our insight into the factors that motivate and challenge entrepreneurs operating in Venezuela as well as the factors related to their success. Our results can be compared to the results of other studies of entrepreneurs operating in Venezuela and in other countries around the globe. According to Yalcin and Kapu (2008) diverse empirical evidence, especially evidence from different countries, can enrich the literature on entrepreneurial motivations. Because Venezuela is considered to be a developing economy our study contributes to the insight on entrepreneurs operating in a developing economy. Finally, our examination of the motivations, problems, and success factors of Venezuelan entrepreneurs provides insight on multiple dimensions of entrepreneurs in a single context.

There are several implications for entrepreneurs, educators, researchers and the Venezuelan government. First, because Venezuelan entrepreneurs recognize the importance of management skills and training, it would be advantageous for entrepreneurs in Venezuela to develop such skills and complete training. Educators might also take note of the importance placed on these factors by entrepreneurs and develop programs to assist entrepreneurs in these areas. Second, researchers can use findings reported in this study to add to the growing study of entrepreneurs around the globe. Specifically the findings on the motivations, problems, and success factors of entrepreneurs in Venezuela can be compared to findings on entrepreneurs from other countries around the globe. While many factors that motivate entrepreneurs are similar across geographic regions and countries, some differences have been found (Chu, et al., 2007; McMullen et al., 2008) including regional differences in the founding and growth rates of new ventures (Armington and Acs, 2002). This may be due to differences in political systems, economic policies, and cultures.

Entrepreneurs in this study rated a weak economy and foreign exchange limitations as problems. In addition, they rated political involvement as a factor important to the success of entrepreneurs in Venezuela. The economy of Venezuela is heavily dependent upon the petroleum industry and is plagued with high inflation (The Economist). McMullen et al., (2008) examined the motivation of entrepreneurs across countries examining the relationship between entrepreneurial motivations and government related factors. They argued that fiscal-, monetary-, and labor freedom are related to entrepreneurial activity, and they found that entrepreneurial action increases when opportunity and transaction costs decrease. Government policies and programs have also been found to support entrepreneurship (Woolley & Rottner, 2008), and economic growth can take place through the mechanism of entrepreneurship (Minniti, 2008). Policies in Venezuela that facilitate entrepreneurship might increase opportunities in industries in addition to the petroleum industry and might decrease the economic effect of the petroleum industry. While our study extended the literature on entrepreneurs and specifically entrepreneurs operating in Venezuela, there are several limitations of this study. First, the sample is drawn from entrepreneurs in Venezuela and may not be generalizable across the globe or even across developing nations. A larger sample composed of entrepreneurs from around the globe would be advantageous. Second, the list of motivators, problems, and success factors are limited in number and scope. Third, presenting entrepreneurs with a prepared list of motivations, problems, and success factors may influence the entrepreneurs' response and/or may result in the omission of other items. Future research which allows entrepreneurs to list their motivations, problems, and success factor might be beneficial to the study of entrepreneurs. A fourth limitation is that the entrepreneurs surveyed may not be representative of the

entrepreneurs in Venezuela and/or their responses may not be generalizable to entrepreneurs operating in Venezuela. Yet another limitation is that while the survey has been used in a number of previous studies (e.g. Chu et al., 2007), the survey has not been validated in Venezuela.

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