

Identification of Factors that prevent Potential Entrepreneurs from Founding

Richard Geibel, Hossein Askari, and Joachim Heinzl

Abstract— The goal of this research paper is to identify personal and environmental factors that prevent individuals from founding a company despite perceiving a business opportunity. Our findings suggest that a weak economic growth and low start-up activity in a country increases the individuals' fear of failure whereas we don't find any correlation between the availability of start-up capital and the fear of failure rate.

Index Terms— fear of failure rate, opportunity, start-up activity, economic development, reputation, entrepreneurship education

I. INTRODUCTION

There are different opinions in which ways business opportunities can arise. Many research studies investigate the question in which way opportunities are recognized. Some argue whether they are discovered [1] or created [2] whereas some favor a mix of discovery and creation. But, it is obvious that certain individuals can identify a business opportunity in one way or another. It seems logical to pursue a recognized opportunity and to achieve something with your idea.

Entrepreneurial opportunities can be defined as situations that bring new goods, services, raw materials as well as organizing methods which enable to sell outputs at more than their cost of production [3]. Business opportunities have potential regarding market, protection and technical implication [4] [5] [6]. So, at first sight it seems unlikely that an individual doesn't take the chance to become an entrepreneur since his or her idea might have a competitive advantage due to its innovation. An innovative good or service could be the fundament for a very successful business. However, research studies show that individuals do not always pursue their identified opportunities.

The Global Entrepreneurship Monitor (GEM) measures the "Fear of failure rate" in different countries. This rate is defined as the percentage of the age of "18-64 of population with

Prof. Dr. Richard C. Geibel, Fresenius University of Applied Sciences, and Director INTEBUS – International Business School, Im Mediapark 4, 50670 Cologne, Germany (email: geibel@hs-fresenius.de).

Dr. Hossein Askari, Managing Director CoGAP GmbH, Lungengasse 48, 50676 Cologne, Germany (email: h.askari@cogap.de).

Joachim Heinzl, Faculty of Management, Economics and Social Sciences University of Cologne, Germany (email: heinzl.joachim@gmail.com).

positive perceived opportunities who indicate that fear of failure would prevent them from setting up a business". Those individuals are currently not involved in entrepreneurship [7]. The rate was about 42 % in 2012 in Germany, which means that 42 % of the individuals with positive recognized opportunities in Germany are not willing to take the risks of starting a business, even if the expected return from becoming an entrepreneur might be considerably higher than the next best alternative [8]. With other words, a certain percentage of population fears to start a business [9].

Through a comparative study this research paper aims to analyze which factors influence the individuals' fear to set up a business. In order to identify the driving factors we take into account the individuals' characteristics and the characteristics of the regions where the individuals live considering entrepreneurship and economic development.

II. METHODOLOGY

First, hypotheses were developed with respect to recent entrepreneurship literature and sufficient data were collected from reliable sources. We compare two groups of countries in order to identify which factors influence the individuals' fear of setting up a business. The countries are classified into two groups oriented to their fear of failure rate. One group consists of 26 countries with a low fear of failure rate (in the following denoted as "L-Group") and the second group consists of 17 countries with a high fear of failure rate (in the following denoted as "H-Group"). The countries are listed in table 0 oriented to their group and fear of failure rate.

The fear of failure rates we used were the ones published in the GEM-Global-Report in 2009 [10]. According to our definition a low fear of failure rate is lower than 34 and a high fear of failure rate is equal or larger than 34. This value is based on the mean fear of failure rate of 33.5 of all surveyed countries. This study compares different characteristics of the L- and H-Group concerning entrepreneurship. One factor is the population's perception of entrepreneurship and entrepreneurs in their country.

Another aspect is how the individuals are personally involved in entrepreneurship. For that purpose, we used the data generated by the Adult Population Survey GEM-APS (2009) [11] and the National Expert Survey GEM-NES (2009) [12]. The APS is a broad questionnaire, administered to at least of 2000 adults in each GEM country, designed to gather detailed information on the entrepreneurial activity, attitudes and

aspirations of respondents. The NES is a survey tool administered to at least of 36 'experts' in each GEM country, allowing the measurement of the nine key Entrepreneurial Framework Conditions.

TABLE 0.

H-Group		L-Group	
Country	Fear of failure rate (percent)	Country	Fear of failure rate (percent)
Argentina	37.00	Belgium	28.00
Croatia	35.00	Bosnia and Herzegovina	32.00
Denmark	37.00	Brazil	31.00
Ecuador	35.00	Chile	23.00
Germany	37.00	Colombia	29.00
Greece	45.00	Dominican Republic	27.00
Hong Kong	37.00	Finland	26.00
Iceland	36.00	Guatemala	24.00
Israel	37.00	Hungary	33.00
Italy	39.00	Jamaica	24.00
Latvia	40.00	Korea	23.00
Malaysia	65.00	Netherlands	29.00
Russia	52.00	Norway	25.00
Saudi Arabia	49.00	Panama	26.00
Spain	45.00	Peru	32.00
Tonga	65.00	Serbia	28.00
Tunisia	34.00	Slovenia	30.00
		South Africa	31.00
		Switzerland	29.00
		Syria	18.00
		Uganda	29.00
		United Arab Emirates	26.00
		United Kingdom	32.00
		United States	27.00
		Uruguay	29.00
		Venezuela	26.00

Furthermore, we analyzed the general economic situation as well as the general entrepreneurship environment of the two groups. Again, the data were generated by GEM-APS/GEM-NES (2009) and additionally by the IMF [13]. Ultimately, we compared the factors (A) GDP per capita, (B) annual growth of GDP, (C) Entrepreneurship Education, (D) availability of start-up capital and (E) reputation of entrepreneurs and start-up activity.

The available data were analyzed for statistical examination by applying the methods of empirical research. In order to identify significant differences between the two groups at a confidence interval of 90 % the t-test was applied via SPSS software. After the statistical examination the results were summarized. The last step was finding plausible explanations for our results.

III. HYPOTHESES

A. Start-up Capital

A start-up cannot survive without owning sufficient capital because of upcoming expenses for production, staff cost etc. Therefore, liquidity constraints in entrepreneurship can limit the possibilities for setting up a successful start-up. A study by Evans (1989) alludes that almost all entrepreneurs devote less capital to their business than they would like to because they have only access to a restricted capital market [14]. Holtz, Joulfaian and Rosen point out that if an entrepreneur's private equity is limited and an entrepreneur cannot borrow money to attain the profit maximizing level of capital, the entrepreneur's business is more likely to fail than a business with a wealthy owner [15].

Therefore, liquidity constraints could prevent certain individuals from starting a new business [16], since they might be afraid that they won't be able to acquire enough capital for running a successful business. This indicates that a lack of sufficient start-up capital in a country can increase the fear of starting a new business. So, we expect a better established capital market in the L-Group than in the H-Group. For that reason, we analyze the following hypotheses:

Null Hypothesis 1: There is no significant difference between the L-Group and the H-Group in terms of availability of sufficient start-up capital.

Alternative Hypothesis 1: There is a significant difference between the L-Group and the H-Group in terms of availability of sufficient start-up capital.

B. Economic Development

In more-developed countries the industrialization and economies of scale allow larger firms to satisfy a great demand. Also, in such countries many people are able to find a stable employment and don't have to set up a business out of necessity. On the contrary, in less-developed countries you can find a prevalence of very small businesses [17]. Therefore, we assume that in less-developed countries fewer people hesitate to found a company because they might see a high chance to gain a certain level of market share since they do not compete with so many large firms. Additionally, the individuals in less-developed countries might face fewer opportunities to find a safe employment. Thus, they might be

more willing to create their own employment than individuals living in more-developed economies.

The latter could hold for a recession as well but during a recession there is a higher pressure than usual on individuals to start a business out of necessity. If the labor market conditions improve the pressure might decrease [18] and therefore the fear of failure rate. Additionally, people might be more afraid to fail and less optimistic during a recession due to the negative economic development of their country. Also, because they have to compete with larger firms, which could be better prepared for dealing with negative economic growth due to their greater experience and large resources.

We expect individuals in less-developed countries to be less afraid of taking the steps of founding and running a successful company. We use the GDP per capita of the surveyed countries to measure their status of economic development. We expect the fear of failure rate to be lower in countries with a low level of GDP per capita than in countries with a high level of GDP per capita. Second, we expect a higher annual growth (or a lower decrease) in GDP in the L-Group than in the H-Group. For analyzing the correlation between the economic development and the fear of failure rate of different regions we developed the following hypotheses:

Null Hypothesis 2a: The average GDP per capita of the H-Group is not significant higher than the average GDP per capita of the L-Group.

Alternative Hypothesis 2a: The average GDP per capita of the H-Group is significant higher than the average GDP per capita of the L-Group.

Null Hypothesis 2b: The average annual growth in GDP of the L-Group is not significant lower than in the H-Group.

Alternative Hypothesis 2b: The average annual growth in GDP of the L-Group is significant lower than in the H-Group.

C. Entrepreneurship Education

Entrepreneurship education teaches different skills and knowledge about entrepreneurship and entrepreneurial framework conditions. It aims to motivate students and researchers to set up a new business [19]. A certain level of Entrepreneurship Education can help individuals to develop a general set of competences required for being a successful entrepreneur [20]. Such competences include among others problem-solving skills, the ability to adapt more readily to changes, being self-reliant and a high level of creativity [21].

That is, Entrepreneurship Education is not only about learning how to run a business but also about qualifications regarding entrepreneurial spirit, competence and behavior [22].

Individuals might obtain the competences and knowledge, which are required for being confident and motivated about

setting-up a successful business. Therefore, we expect the fear of failure rate to be lower in countries where you can find a high degree of entrepreneurship education.

In our analysis we investigate the level of entrepreneurship education in the primary and secondary education because attending school is an obligation in almost all surveyed countries. In this way we can check if there is a general and widespread entrepreneurship education available for everybody. We test the following hypotheses:

Null Hypothesis 3: There is no significant difference between the L-Group and the H-Group with respect to the level of attention for entrepreneurship in primary and secondary education.

Alternative Hypothesis 3: There is a significant difference between the L-Group and the H-Group with respect to the level of attention for entrepreneurship in primary and secondary education.

D. Reputation

In some countries the image of entrepreneurs is rather negative. For example, in Cyprus or Greece about 70 % of the population assumes that entrepreneurs only think about money or exploit other peoples' work. On the contrary, in countries such as Norway, Iceland or Denmark less than one third of the population thinks that way. But, even if the image of entrepreneurs is sometimes negative, entrepreneurs are widely seen as job creators or supporters of wealth creation [23].

People who let their fear prevent them from setting up a business despite having a good idea could be afraid of obtaining a bad reputation by becoming an entrepreneur. This effect might be increased by the negative attitudes towards failure in some countries. "Failure is the mother of success" is said in China. However, for example in Europe failure is seen rather negative and can even result in ending a person's promising career [24].

So, we can observe different perception of entrepreneurs as well as a different attitude towards entrepreneurial failure in different parts of the world. In some countries individuals might fear a negative reputation as consequence of possible failure, which could prevent them from founding a company despite perceiving a good opportunity.

In countries where the pressure to be successful is high and entrepreneurs' reputation is rather low becoming an entrepreneur is not seen as a good career choice [25]. The pressure and the potential negative reputation might increase the fear of failure rate in a country. Therefore, we expect the fear of failure rate to be low in regions where starting a business is seen as a good career choice.

Null Hypothesis 4: In the L-Group people do not consider significantly more often starting a business a good career choice than in the H-Group.

Alternative Hypothesis 4: In the L-Group people consider significantly more often starting a business a good career choice than in the H-Group.

E. Start-up activity

The start-up activity differs between different regions. For example, the GEM (2009) observes a way higher start-up activity in Uganda than in Belgium. Social and economic conditions can affect the entrepreneurial activity within a country and each country has a unique set of social and economic conditions, which lead to diverse entrepreneurial activities [26].

We suppose that a high start-up activity reduces the fear of failure rate of a country. If individuals, that are currently not involved in entrepreneurial activities but perceive a good business opportunity, observe a high start-up activity they could feel more confident and optimistic about turning their own idea into a successful start-up. This could be the case since a high start-up activity indicates that the market conditions of a country might be suited for setting up a new and innovative business. Having a safe fundament could take some pressure and fear from individuals who are considering establishing a company and pursuing an identified business opportunity. Therefore, we expect the start-up activity to be higher in the L-Group than in the H-Group. We consider a general start-up involvement and an early-stage activity. In order to check our assumptions we developed the following hypotheses:

Null Hypothesis 5: The start-up activity in the L-Group is not significant higher than in the H-Group.

Alternative Hypothesis 5: The start-up activity in the L-Group is significant higher than in the H-Group.

IV. RESULTS

In order to investigate the availability of start-up capital in different regions we analyzed the estimation of entrepreneurial experts concerning the investigated issue Table A summarizes how the entrepreneurial experts see the financial opportunities for setting up a business in their countries considering different ways of financing. The experts estimated the availability of sufficient start-up capital of their respective country on a scale from 1 to 5, where 1 means that there is not sufficient capital available at all and 5 that the available capital is absolutely sufficient.

One can see that the experts in both groups are least content with the availability of Venture Capital and IPO-capital because the lowest mean values with regard to the 1-5 scale are assigned to those start-up financing methods. The experts of the H-Group assign on average the highest values to debt funding whereas the experts of the L-Group appear to be most satisfied with the availability of public subsidies in their countries

Furthermore, the mean values of the L-Group in terms of the different financing methods were compared with the mean values of the H-Group. However, we were not able to find great differences concerning the mean values because they were very similar in all cases.

Consequently, the p-values, that present the results of the t-tests conducted to differences between the two groups, is for all kinds of start-up capital larger than 0.10. So, we couldn't identify any statistical significant differences between the H-Group and L-Group regarding the availability of required start-up capital Therefore, null hypothesis 1 cannot be rejected. The degree of availability of start-up capital doesn't appear to affect the fear of failure rate of potential entrepreneurs

TABLE A.

Start-up capital	Mean value (scale:1-5)		p-value (t-test)
	L-Group	H-Group	
Equity funding	2.63	2.55	0.601
Debt funding	2.67	2.59	0.499
Public Subsidies	2.59	2.66	0.729
Private (not founders' capital)	2.48	2.46	0.829
Venture Capital	2.33	2.40	0.629
IPO	2.14	2.24	0.577

Table B shows our results concerning the investigation of the question whether the state of economic development or wealth of a country can affect the fear of failure of potential entrepreneurs. As you can see the GDP per capita was on average almost the same in both groups. Therefore, no significant difference was identified. But, we also compared the average economic growth of both groups by comparing the average annual change of GDP from 2008 to 2009 of both groups. The average percent change of the GDP from 2008 to 2009 was as expected greater in the L-Group than in the H-Group. The difference was larger than two percent The p-value of the t-test is smaller than 0.10.

So, we can clearly reject hypothesis 2a but we cannot clearly reject hypothesis 2b. That is, the economic growth of a country correlates with the fear of failure rate of a country. These findings suggest that people are less scared to found a new company if they perceive a positive economic growth mostly independent of the current state of economic development or wealth of the country.

TABLE B.

Economic Development	Mean value		p-value (t-test)
	L-Group	H-Group	
Ø GDP per Capita 2009 (U.S. Dollars)	21,006	21,263	0.967
Ø Change of GDP from 2008 to 2009 (Percent)	-1.5342	-3.6982	0.077

Table C also presents data of the GEM-NES (2009). The entrepreneurship experts from the surveyed countries were asked to estimate the level entrepreneurship education in their countries in the primary and secondary education system. The experts were asked to indicate to which degree they agree with the statement “In my country, teaching in primary and secondary education provides adequate attention to entrepreneurship and new firm creation” on a 1 to 5 scale, where 1 means that this statement doesn’t apply at all for their individual country and 5 that this statement absolutely holds for their specific country.

We were expecting that the education system of the L-Group provides a higher attention to entrepreneurship than in the H-Group and therefore the experts of the H-Group agree to higher level with this statement than the experts of the H-Group.

However, the results suggest the opposite. The L-Group experts are more satisfied with the attention to entrepreneurship in the education system than the H-Groups experts are.

TABLE C.

Entrepreneurship Education	Mean value (scale:1-5)		p-value (t-test)
	L-Group	H-Group	
Adequate attention to entrepreneurship and new firm creation in primary and secondary education	2.17	2.18	0.960

However, the difference is negligible and insignificant. Consequently, the p-value of the t-test which measured the significance of the difference of the mean values portrayed in table C is close to 1. For that reason, null hypothesis 3 cannot be rejected.

Therefore, our findings indicate that a higher level of entrepreneurship education in the primary or secondary education system doesn’t lower the fear of failure of a country. That also means that a low level of entrepreneurship education doesn’t prevent individuals from starting a business. The observed results are contrary to our expectations.

Table D: In order to investigate how a possible negative reputation can affect the fear of failure of potential entrepreneurs we analyzed data from the GEM-APS (2009). The adult population (from age 18 to 64) of the surveyed countries was asked if people in their country consider starting a business a good career choice. As you can see in table D 70.40 percent of the population in the L-Group indicates that people do so. In the H-Group 65.14 percent of the asked population indicates that people in their countries consider starting a business is a good career choice i.e. five percent less than in the L-Group. However, the observed difference is not statistical significant since the t-test resulted in a p-value of 0.236. This result suggests that it is not the fear of obtaining a bad reputation that stops individuals from pursuing innovative ideas. For that reason, null hypothesis 4 cannot be rejected.

TABLE D.

Reputation	Mean value (percent)		p-value (t-test)
	L-Group	H-Group	
People consider starting a business a good career choice	70.40	65.14	0.236

Table E also portrays results from the GEM-APS (2009). The people of both groups were asked about the state of their own start-up involvement (at the time of the survey). In the L-Group more than 10 percent of the population was involved in a business start-up when asked. That is, 4 percent more than in the H-Group. According to the results of the t-test this difference is statistically significant since the p-value of 0.044 is distinct smaller than 0.10.

TABLE E.

Start-up Activity	Mean value (percent)		p-value (t-test)
	L-Group	H-Group	
Involved in a business start-up	10.72	6.72	0.044
Involved in TEA	11.98	7.82	0.047

Additionally, the people were asked if they are involved in Total Early-Stage Entrepreneurial Activity (TEA). Individuals who are involved in TEA are active as nascent entrepreneur or as an owner-manager of a new business [27]. The outcomes show that about 12 percent of the population of the L-Group was involved in TEA at the time of the survey. In the H-Group were only about 8 percent of the people involved in TEA i.e. about 4 percent less than in the L-Group. This difference turns out to be statistically significant as well.

This means, if the residents of a country perceive a high level of start-up activity they tend to be less afraid to set up a business than the people from countries with a low start-up activity. Those people might believe that the market conditions for founding are well-established in their country. So, our results allude that there is a correlation between start-up activity and the fear of failure rate of a country. Therefore, null hypothesis 5 can be rejected.

V. DISCUSSION AND CONCLUSION

Our results identify two factors that affect the fear of failure rate of a country and affect an individual's decision regarding the decision if about setting up a business: The start-up activity in a country and the economic growth of a country.

The investigation of null hypothesis 2 shows that the economic growth is less negative in the L-Group than in the H-Group. The growth was mostly negative due to the world economic crisis that began at the end of 2008 [28]. Low economic growth leads to a higher fear of failure rate according to our results. Individuals living in a country with a growing economy tend to be less afraid of founding. Probably, these individuals observe the business success of other entrepreneurs and become optimistic about successfully founding their own company. The opposite holds for individuals living in countries with less growing economies.

However, the fear of failure rate of a country is independent of the actual wealth or state of development of the country as our findings indicate. That is, even if the economy of a country is very well developed a recession might raise the fear of failure due to development low or negative growth and therefore prevent people from starting a business. The fear of failure might be independent of the actual wealth of a country because people in more-developed countries might not fear the competition with larger companies if they are convinced of their own idea. Even though they know it will be hard to compete with large firms they might consider the advanced development as advantage, as something they can build on. But, in times of recession this doesn't appear to apply.

Furthermore, as expected our results allude that a high-start activity leads to a low fear of failure rate whereas a low start-up activity increases the fear of failure rate. If individuals observe that many people are not involved in a start-up or entrepreneurial activities they might search for a reason for this observation. They could conclude that the market conditions aren't suited for start-ups and might therefore fear to pursue their own idea. Observing a higher degree of entrepreneurial activity could raise the individuals' trust in the market conditions required for successfully setting up their own business.

The results of our analysis don't suggest an impact of the availability of start-up capital on the fear of failure rate. A possible explanation for that finding is that potential entrepreneurs might be confident about acquiring sufficient capital if they decide to take the first steps of setting up a business, because they have a strong belief in their ideas and their ability to convince potential investors. That is, even if little capital is available in a certain country most of individuals could be certain that they will be the ones who receive it in the end.

Additionally, the individuals might be confident that they will be able to deal with little capital since their belief not only in their idea but also in their own abilities. It is also possible that potential entrepreneurs cannot precisely estimate how much capital they will need and will only notice after the foundation whether more capital is required.

Also, the potential entrepreneurs might be not totally aware of how much start-up capital is actually available in their regions since it is not always easy to have a precise overview over the financing possibilities. That means, they can't always know if the capital is not sufficient for setting up several successful businesses.

Our outcomes could not find a correlation between entrepreneurship education and the fear of failure rate of a country. This is surprising since certain entrepreneurial competences as well as certain entrepreneurship related knowledge might help to build up the individuals' confidence to become a successful entrepreneur. Therefore, we are still convinced that certain entrepreneurial training can take some fear from potential entrepreneurs with business ideas.

However, it are not educated or trained in the education system but they learn from their friends, parents etc. who are already entrepreneurs or have useful entrepreneurial knowledge [29]. In that case, the social network of individuals might resume the teaching of entrepreneurship.

Furthermore, we only considered entrepreneur education in the primary or secondary education system. It is possible that potential entrepreneurs attend courses about entrepreneurship at other institutions such as universities. A study that considers entrepreneurship education at other institutes plus private training might find a correlation between the fear of failure rate and entrepreneurship education.

Our findings allude that people don't seem to fear a negative reputation as consequence of possible failure or because a negative image of entrepreneurs could be drawn in public. In both groups the majority of people are convinced that starting a business is considered a good career choice (even though some single countries might have a negative view at entrepreneurs and business owners). So, it is just a minority of the population that might look at entrepreneurs in a negative way if they found and possibly fail. Certainly, that won't stop potential entrepreneurs from founding a company. Also, the individuals might just not care what other people think of them and won't let other people influence their decisions.

We used a confidence interval of 90 % and therefore our results are threatened to suffer from the type II error. We expect our result to hold under a confidence interval of 95 % when a higher number of countries is surveyed. Unfortunately, our data were limited to 43 countries. For that reason, we recommend further research, which includes a higher number of countries to validate our results.

We can conclude from our findings that it is not the individuals' disbelief in their own entrepreneurial competences like the ability to find investors or to gain capital but a low or negative economic growth and a low general activity of entrepreneurship that drives the individuals' fear of failure in such a way that it prevents them from starting a business even if they perceive a good and innovative business opportunity.

That is, if the general environment for start-ups isn't well developed in a country and the economic development of a country is negative or slightly positive individuals see higher risks in terms of founding a successful business. In such cases the potential entrepreneurs tend to drop their ideas about setting up a new business.

REFERENCES

- [1] I. Kirzner, "Perception, opportunity and profit". Chicago, IL, 1979.
- [2] J. A. Schumpeter, "Theorie der wirtschaftlichen Entwicklung", Berlin, 1934.
- [3] S. Shane, S. Venkataraman, "The promise of entrepreneurship as a field of research", *Academy of Management Review*, vol. 25, pp. 217–226, 2000.
- [4] C. Gaglio, "The Role of Mental Simulations and Counterfactual Thinking in the Opportunity Identification Process," vol. 28 no. 6: pp. 533–552.
- [5] S. Shane, S. Venkataraman, "The promise of entrepreneurship as a field of research", *Academy of Management Review*, vol. 25, pp. 217–226, 2000.
- [6] S. Scott, "A general theory of entrepreneurship", 2003.
- [7] Global Entrepreneurship Monitor (2008): 2008 Global Report.
- [8] Global Entrepreneurship Monitor (2010): 2010 Global Report.
- [9] Global Entrepreneurship Monitor (2010): 2010 United States Report.
- [10] Global Entrepreneurship Monitor (2009): 2009 Global Report.
- [11] GEM Adult Population Survey (APS), 2009.
- [12] GEM National Expert Survey (NES), 2009).
- [13] IMF: World Economic Outlook Database, 2013.
- [14] D. Evans, B. Jovanovic, "An Estimated Model of Entrepreneurial Choice under Liquidity Constraints", *Journal of Political Economy*, Vol. 97, No. 4, pp. 808-827, 1989.
- [15] D. Holtz-Eakin, D. Joulfaian, H. S. Rosen, "Sticking it Out: Entrepreneurial Survival and Liquidity Constraints", *Journal of Political Economy*, Vol. 102, No. 1, pp. 53-75, Feb, 1994.
- [16] D. Evans, B. Jovanovic, "An Estimated Model of Entrepreneurial Choice under Liquidity Constraints", *Journal of Political Economy*, Vol. 97, No. 4, pp. 808-827, 1989.
- [17] Global Entrepreneurship Monitor (2009): 2009 Global Report.
- [18] http://www.washingtonpost.com/blogs/on-small-business/post/start-up-activity-dropped-in-2012-but-is-still-above-pre-recession-levels/2013/04/17/14d897d6-a778-11e2-b029-8fb7e977ef71_blog.html.
- [19] Global Entrepreneurship Monitor special Report, "A Global Perspective on Entrepreneurship Education and Training", 2010.
- [20] European Commission "Entrepreneurship Education: A Guide for Educators", 2013.
- [21] C. Henry, F. Hill, C. Leitch, "Entrepreneurship education and training: can entrepreneurship be taught?", Part I, Education + Training, Vol. 47 Iss: 2, pp. 98 – 111, 2005.
- [22] European Commission (2013): Entrepreneurship Education: A Guide for Educators.
- [23] European Commission, Entrepreneurship Survey of the EU (25 Member states), United States, Iceland and Norway, 2007.
- [24] World Economic Forum, "Global Education Initiative. European Roundtable on Entrepreneurship Education", 2010.
- [25] Global Entrepreneurship Monitor (2010): 2010 United States Report.
- [26] Global Entrepreneurship Monitor (2009): 2009 Global Report.
- [27] Global Entrepreneurship Monitor (2009): 2009 Global Report.
- [28] <http://www.globalresearch.ca/the-2008-world-economic-crisis-global-shifts-and-faultline>.
- [29] Global Entrepreneurship Monitor special Report, "A Global Perspective on Entrepreneurship Education and Training", 2010.

AUTHORS' PROFILE

Prof. Dr. Richard C. Geibel is responsible for the Master Program "Media Management and Entrepreneurship" at Fresenius University of Applied Sciences and he is Director at "INTEBUS – International Business School". Moreover he runs the Competence Center Entrepreneurship at the University and he is Director at the fast growing Incubator STARTPLATZ. He studied Computer Sciences at RWTH Aachen and holds a Ph.D. in economics from the University of Cologne. He worked as Research Scientist at "Alfred P. Sloan School of Management", Massachusetts Institute of Technology, Cambridge, USA, and supports the "MIT Club of Germany" as Vice President.

Dr. Hossein Askari studied biology with specializations in genetics and biochemistry through 2008 at the University of Cologne. Along with his studies, Dr. Askari worked at the Cologne Center for Genomics. In addition, he was engaged at the Miltenyi Biotec firm and at the Institute for Quality and Efficiency in Health Care (IQWiG) in Cologne. Also he obtained his Ph.D. degree in the field of entrepreneurship in medical biotechnology at the "Schumpeter School of Business and Economics" and is currently lecturer at the Fresenius University of Applied Sciences. Furthermore Dr. Askari is the CEO of CoGAP GmbH.

Joachim Heinzl was born in Moenchengladbach, Germany, on the 28th October 1988. He is currently a Ph.D. student in economics at the chair of Institutional Economics and Economic Policy, University of Paderborn, Germany. He holds both a master's degree in economics, which he received in 2014, as well as a bachelor's degree in economics, which he earned in 2011, from the University of Cologne, Germany.