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Individual-Level Determinants of International Orientation of a Firm: A Study Based on Global Entrepreneurship Monitor Data

Abstract: In recent decades economic integration and globalization processes facilitate the firms' internationalization. The main determinants of that process are divided into three categories – internal factors, external factors and personal characteristics of an entrepreneur. The latter is considered to be the most important and will be the research subject in this article. The objective of this paper is to analyze the determinants of firm internationalization on the individual level and to verify whether entrepreneurial traits of the founder are indeed important for the internationalization.

The research is based on the Global Entrepreneurship Monitor data, using which we employ independent sample t-test and one-way ANOVA analyses to test the hypotheses. The results show that the only variable which determines international orientation of a company is the level of education of an entrepreneur. All other characteristics of an entrepreneur do not correlate with international orientation of a firm. Results obtained make important contribution to entrepreneurship research - they show significant shift in international entrepreneurship trends - internationalization is getting more available, less risky and more natural for entrepreneurs of different ages, backgrounds and individual characteristics. Findings may be useful for further international entrepreneurship research.

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Introduction

The research on the firm internationalization has evolved during the last decades. First studies on international business focused on the large multinational organizations, which develop on the domestic market before going abroad. Starting from 1990s, the terms “*international new ventures*” [Oviatt & McDougall 1994] or “*born globals*” [Rennie 1993] have evolved, which meant companies that do not need to develop on the domestic market first, whereas they start acting on international markets immediately after their founding. Empirical researchers have often focused on the determinants of the internationalization process [Oviatt & McDougall 1994; Madsen & Servais 1997]. The main factors which influence internationalization decision are usually divided into three parts – external factors, internal factors and entrepreneurial traits, where the last one usually plays the most important role. In this paper we focus on the individual-level determinants of firm internationalization. The aim of this article is to analyze the determinants of internationalization on individual level and to verify whether entrepreneurial traits of a founder are indeed very important for the firm internationalization.

In the first section of the paper we present theoretical background of the problem, focusing on the research on internationalization and rise of a term “international entrepreneurship”. The second section states the hypotheses basing on the aim of the research. Third section describes research methods, sample, variables and measures. After that, we present research results and, finally, discussion of obtained results.

Theoretical background

The firm internationalization process became a subject of interest for researchers at the end of the 1960s. These studies focused on attitudes and behavior of firms in the process of going international [Li & Cavusgil 1995, p. 261]. Welch and Luostarinen [1988, p. 36] state that it is the process of increasing involvement in international operations across borders, where firm expands its activities geographically, moving gradually from the domestic market to foreign markets. Internationalization was defined by Melin [1992] as a strategic change process, which results in the increase of an international enterprise involvement, and therefore, its knowledge about foreign markets, which is the core element of strategic development. Another author emphasizing the importance of knowledge in internationalization process is Beamish [1990, p. 77] who first suggested that firm starts internationalizing in the moment when its owners or managers realize the importance of involvement into foreign markets and in his later publications emphasized that during internationalization and transactions with foreign companies, a firm increases its knowledge about direct and indirect impact of the international activity [Beamish

et al. 1997]. Despite the dissimilarities in definitions, researchers agree that there are different stages of the internationalization process.

Researchers argue whether internationalization is a gradual, step-wise process. Majority of definitions show dynamics of the internationalization process, emphasizing its relation to change and development. However, several findings suggest that internationalization process is random. *Stage theories* [Johanson & Wiedersheim-Paul 1975; Johanson & Vahlne 1977] argue that firm's international involvement gradually increases as it gains knowledge and experience in the international arena. The most famous Johanson and Vahlne's [1977, 1990] internationalization model, *The Uppsala Internationalization Model*, rests on the resource-based theory [Andersen 1997]. The basic assumption of this model is that performing activities creates internal assets such as skills and knowledge. The Uppsala model is based on the assumptions that firm strives to increase its long-term profit and to keep risk-taking at a low level, therefore internationalization process tends to proceed slowly. The theory also suggests that companies start exporting to neighboring countries, with less psychic distance, created by language differences, culture, political systems and disturbing the flow of information between the firm and the market. Another stage model, an *innovation-related model* [Bilkey & Tesar 1977; Cavusgil 1980, Reid 1981, Czinkota 1982] states that internationalization decision is an innovation for the firm. It focuses on the learning process in connection with adopting an innovation.

The studies on firm internationalization before the 1990's are mainly based on the large multinational corporations, which developed from large, mature domestic companies [Oviatt & McDougall 1994, p. 45]. However, due to the changing global business environment - technological progress, opening borders, better speed and quality of international communication, increasing numbers of people with the international experience – it became possible to conduct business activities in different countries with limited resources. This caused the emergence of the *international entrepreneurship* phenomenon [McDougall & Oviatt 2000; Zahra & George 2002]. International entrepreneurship concept combines elements of international business theory and entrepreneurship theory. It was first defined by McDougall [1989, p. 389] as new international firms which from the beginning of their emergence take part in an international activity. Since then, early internationalizing firms became a very popular research subject. They have been called “born globals” [Rennie 1993; Knight & Cavusgil 1996], “international new ventures” [Oviatt & McDougall 1994], “global start-ups” [Jolly et al. 1992] and “instant internationals” [Preece et al. 1999]. Such firms are defined as business organizations that, from inception, seek to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries [Oviatt & McDougall 1994, p. 49]. Possessing limited financial resources and foreign markets

knowledge, those firms manage to start international operations from or near founding.

Research hypotheses

The researchers divide determinants of firms' internationalization into three groups – internal factors, external factors and entrepreneurial characteristics [Oviatt & McDougall 1994; Madsen & Servais 1997]. External factors facilitating internationalization are usually connected with sectoral, regional or national export culture, specific demand characteristics or foreign trade facilitators [Zahra & George 2002, p.18]. The internal determinants of internationalization are suitable products or services, company mission to become internationally active, human or financial resources availability. This research will not focus on the macro factors and firm-level traits, as it will analyze the individual-level determinants of firm internationalization.

Definitions of early internationalizing firms differ significantly, however, one thing all researchers agree on, is that the individual traits of the entrepreneur influence pace of internationalization. Global vision of the founder appears to be the key feature of born global firms. Gabrielsson et al. [2008] suggest that the key resources such as experience and knowledge are owned by an entrepreneur himself. There are opinions [Kundu & Katz 2003] that in the early stages of born global firms development, entrepreneur individual traits, but not external characteristics, play significant role in the process of entering foreign markets. Therefore we hypothesize that:

Hypothesis H1: International orientation of early-stage entrepreneurial activity is positively related to the level of entrepreneurial intentions.

It is discussed that one of the most significant traits of an international entrepreneur is his level of education and foreign languages knowledge [Zucchella et al. 2007]. International experience and high education level may explain the global vision of an entrepreneur, as these characteristics lower the psychic distance between the domestic market and foreign markets. Knight and Cavusgil [1996] suggest that international entrepreneurs see the whole world as their market without borders. Thus, we hypothesize that:

Hypothesis H2: International orientation of early-stage entrepreneurial activity is positively related to the level of education of an entrepreneur.

Experience of the entrepreneur is characterized by the level of education, previous international experience and what is more significant, by earlier experience in his specialization. Many researchers stress that international entrepreneurs are young proactive managers, however there is evidence that their international experience and job experience play significant role in the intensity of internationalization [Chetty & Campbell-Hunt 2004]. Gaining job experience and international

experience requires a certain amount of time, hence the entrepreneur's young age can not determine early internationalization. Thus, we argue that:

Hypothesis H3: The international orientation of early-stage entrepreneurial activity is positively related to the age of entrepreneur.

International entrepreneurship is characterized by large amount of risk. Internationally oriented entrepreneurs seek for their chances on the foreign markets and adapt their activities to the changing environment. Therefore, it is obvious that more internationally oriented entrepreneurs use more chances for development in the international markets. Accordingly, we propose that:

Hypothesis H4: International orientation of early-stage entrepreneurial activity is positively related to the level of perceived opportunities.

Hypothesis H5: International orientation of early-stage entrepreneurial activity is positively related to the level of perceived capabilities.

Research methods, sample, variables and measures

The research carried out to test the above hypotheses is based on Global Entrepreneurship Monitor study. It is the biggest scientific project of researching entrepreneurship worldwide. It was started in 1999 when 10 countries took part in the study, in 2013 it encompassed 70 economies, 75% of world population, 90% of world GDP. In GEM project the same research is repeated in yearly cycles. Moreover, the same methodology is applied in all countries taking part in the research. This results in full comparability of the results both longitudinally and across countries. GEM has two main research parts. Adult population survey (APS) is completed by a representative sample of at least two thousand adults in each economy. The total sample in 2013 accounted for 197.000 respondents across the globe. The purpose of APS is to capture the attitudes, activities and aspirations of society in the field of entrepreneurship. APS has two main advantages over official statistics: it captures not only people registering their activity but also entrepreneurs-to-be – people who intend to start a business or even start to prepare to do so, and it provides in-depth view into motivations, attitudes and aspirations of entrepreneurs. The other part of the research is called National Experts Survey (NES) where national experts are consulted on entrepreneurial framework conditions – factors that explain the nature and level of entrepreneurship in the economies: financing, governmental policies, governmental programs, education and training, research and development transfer, commercial infrastructure, internal market openness, physical infrastructure and cultural land social norms.

While entrepreneurship is a multifaceted phenomenon with many different meanings, GEM operationalizes entrepreneurship as: any serious attempt at new business or new venture creation, such as self-employment, a new business

organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business. While entrepreneurship is defined narrowly as new business activity, it takes a broad view of what it recognizes business activity to be. This has its implications in measuring the level of entrepreneurship in GEM that is not limited to registration of new business activity, but it is treated rather in behavioural than in institutional terms, and it includes both entrepreneurial activities aimed at registration of new business entities, and entrepreneurial activities in the existing organizations.

GEM employs socio-economic approach in its research [Kelley et al. 2012; Xavier et al. 2013; Amorós & Bosma 2014]. This model attempts to present entrepreneurship in two ways. First of all, it documents how entrepreneurship is affected by national conditions. It also shows that three major components of entrepreneurship cover: attitudes, activity and aspirations. These three components are presented in the form of conglomerate creating innovations, economic growth and new jobs. Detailed interactions between the components are subject to analysis.

In GEM it is important to differentiate a phase of the business activity [Amorós & Bosma 2014], while phases before its formal implementation are also subject to the analysis, and most attention is paid to the phase of early-stage activity. It is one of the significant elements distinguishing GEM from other research projects on entrepreneurship where registration of new entities is studied on the basis of data of national statistical offices which does not enable good insight in the nature of the new enterprises. In modeling the process of entrepreneurship, GEM applies three stages of economic project development. Depending on the phase an entrepreneur is in, they may be defined as a nascent entrepreneur, a new entrepreneur or an established enterprise. In the GEM methodology, nascent entrepreneurs are individuals who have not established business activity yet but they plan to, and those who have already established business activity and are at its early stage – up to 3 months from establishment of business activity. Business activity is considered to be new in the case of paying wages for the period of three months. Such persons start to take first steps to establish a business: they obtain financial support, do the business planning, apply for legal protection of their intellectual property. New entrepreneurs are people who established their business activities from 3 to 42 months before the beginning of the research.

To test the hypotheses we use the Global Entrepreneurship Monitor data from 2012. We use the pooled sample of 13 383 nascent entrepreneurs from 69 countries. We employ independent sample t-test (where the independent variable has dichotomous distribution) and one-way ANOVA analyses (where the independent variable has distribution other than dichotomous). To measure international orientation we use the 'suexport' variable which answers the question: What proportion of your customers will normally live outside the country? The answers are coded as 1 – 90-

1005; 2–76-90%, 3–51-75%; 4–26-50%; 5–11-25%, 6–1-11%; 7–none. Therefore, the higher the value the lower the international orientation of the entrepreneur. The variables for entrepreneurial intentions, opportunities recognition and self-assessment of capabilities are simple variables with dichotomous distribution with yes/no answers. Age is presented in two variables: first is simply the age of the respondent, second is the age category. Education is presented in UN categories: pre-primary education, primary education or first stage of basic education, lower secondary or second stage of basic education, (upper) secondary education, post-secondary non-tertiary education, first stage of tertiary education, second stage of tertiary education.

Research results

Tables 1 and 2 present the means and results of independent sample t-test analysis for entrepreneurial intentions, opportunities recognition and perceived capabilities.

Table 1. Comparison of means (Authors' own work based on GEM data).

		N	Mean	Std. dev.	SE of mean
Entrepreneurial intentions	No	3740	6,00	1,550	,025
	Yes	6507	6,00	1,538	,019
Opportunities perception	No	3296	5,97	1,573	,027
	Yes	6548	6,01	1,533	,019
Perceived capabilities	No	1579	6,04	1,459	,037
	Yes	8798	5,98	1,564	,017

Table 2. Results of t-test analyses (Authors' own work based on GEM data).

	t	df	Sig.	Mean's diff.	SE of diff	95% conf. range	
						Lower	Higher
Entrepreneurial intentions	,183	10245	,855	,006	,032	-,056	,068
	,182	7743,299	,855	,006	,032	-,056	,068
Opportunities perception	-1,150	9842	,250	-,038	,033	-,103	,027
	-1,140	6456,433	,254	-,038	,033	-,103	,027
capabilities	1,301	10375	,193	-,055	,042	-,028	,138
	1,365	2278,512	,172	-,055	,040	-,024	,134

International orientation of entrepreneurs with and without entrepreneurial intentions is exactly the same, therefore hypothesis H1 must be rejected. There are some differences for opportunities recognition and perceived capabilities, however, those differences are not statistically significant, so hypotheses H4 and H5 must also be rejected.

As GEM provides the exact age of the respondent it could be possible to run a correlation analysis between age and international orientation. Its results are presented in table 3.

Table 3. Correlation of age and international orientation (Authors' own work based on GEM data)

		Age	International orientation
Age	Pearson's correlation	1	-,018
	Sig.		,071
	N	13091	10352
International orientation	Pearson's correlation	-,018	1
	Sig.	,071	
	N	10352	10529

Results of correlation analysis point out that international orientation is not related to age, however, it has to be noticed that international orientation is a variable that is not continuously distributed so correlation analysis is not fully reliable in this case and additional analysis should be performed. Tables 4-6 present the results of one-way ANOVA analysis for age and international orientation, where age has been grouped in 6 categories.

Table 4. Results of one-way ANOVA of age and international orientation (Authors' own work based on GEM data).

	N	Mean	Std. dev.	Std. err.	95% confidence interval for mean	
					Lower bound	Upper bound
18-24	1980	6,02	1,501	,034	5,96	6,09
25-34	3442	6,01	1,540	,026	5,96	6,06
35-44	2590	6,00	1,543	,030	5,94	6,06
45-54	1657	5,96	1,589	,039	5,88	6,04
55-64	777	5,93	1,603	,058	5,82	6,04
65-120	76	5,67	1,708	,196	5,28	6,06
Total	10522	5,99	1,547	,015	5,96	6,02

Table 5. Results of one-way ANOVA of age and international orientation (Authors' own work based on GEM data).

	Sum of Squares	df	Mean Square	F	Sig.
Between groups	15,542	5	3,108	1,298	,261
Within groups	25176,044	10516	2,394		
Total	25191,586	10521			

Table 6. Results of one-way ANOVA of age and international orientation (Authors' own work based on GEM data) (*. The difference is significant at 0.05).

		Mean diff. (I-J)	Std. err.	Sig.	95% confidence interval	
					Lower bound	Upper bound
18-24	25-34	,011	,044	,803	-,07	,10
	35-44	,024	,046	,601	-,07	,11
	45-54	,061	,052	,233	-,04	,16
	55-64	,092	,066	,161	-,04	,22
	65-120	,351	,181	,052	,00	,71
25-34	18-24	-,011	,044	,803	-,10	,07
	35-44	,013	,040	,742	-,07	,09
	45-54	,051	,046	,274	-,04	,14
	55-64	,081	,061	,188	-,04	,20
	65-120	,340	,179	,058	-,01	,69
35-44	18-24	-,024	,046	,601	-,11	,07
	25-34	-,013	,040	,742	-,09	,07
	45-54	,037	,049	,444	-,06	,13
	55-64	,068	,063	,286	-,06	,19
	65-120	,327	,180	,069	-,03	,68
45-54	18-24	-,061	,052	,233	-,16	,04
	25-34	-,051	,046	,274	-,14	,04
	35-44	-,037	,049	,444	-,13	,06
	55-64	,030	,067	,653	-,10	,16
	65-120	,290	,182	,110	-,07	,65
55-64	18-24	-,092	,066	,161	-,22	,04
	25-34	-,081	,061	,188	-,20	,04
	35-44	-,068	,063	,286	-,19	,06
	45-54	-,030	,067	,653	-,16	,10
	65-120	,259	,186	,163	-,11	,62
65-120	18-24	-,351	,181	,052	-,71	,00
	25-34	-,340	,179	,058	-,69	,01
	35-44	-,327	,180	,069	-,68	,03
	45-54	-,290	,182	,110	-,65	,07
	55-64	-,259	,186	,163	-,62	,11

The results of one-way ANOVA between age and international orientation suggest that younger entrepreneurs are more internationally oriented. However, the differences between age categories are not statistically significant, therefore hypothesis H3 has to be rejected as well.

Tables 7-9 present the results of one-way ANOVA analysis between education of the entrepreneur and international orientation.

Table 7. Results of one-way ANOVA of education and international orientation (Authors' own work based on GEM data).

	N	Mean	Std. dev.	Std. err.	95% confidence interval for mean	
					Lower bound	Upper bound
Pre-primary education	522	6,40	1,218	,053	6,29	6,50
Primary education or first stage of basic ed.	868	6,37	1,351	,046	6,28	6,46
Lower sec. or second stage of basic ed.	1718	6,20	1,419	,034	6,13	6,27
(Upper) secondary education	3433	5,99	1,509	,026	5,94	6,05
Post-secondary non-tertiary education	1403	5,87	1,574	,042	5,79	5,95
First stage of tertiary education	2331	5,74	1,702	,035	5,67	5,81
Second stage of tertiary education	121	5,62	1,795	,163	5,30	5,94
Total	10396	6,00	1,542	,015	5,97	6,03

Table 8. Results of one-way ANOVA of education and international orientation (Authors' own work based on GEM data).

	Sum of Squares	df	Mean Square	F	Sig.
Between groups	468,691	6	78,115	33,490	,000
Within groups	24232,274	10389	2,332		
Total	24700,965	10395			

Table 9. Results of one-way ANOVA of education and international orientation (Authors' own work based on GEM data) (*. The difference is significant at 0.05) (Primary - Primary education or first stage of basic education; Lower secondary - Lower secondary or second stage of basic education; Post-secondary - Post-secondary non-tertiary education; Tertiary I - First stage of tertiary education; Tertiary II - Second stage of tertiary education).

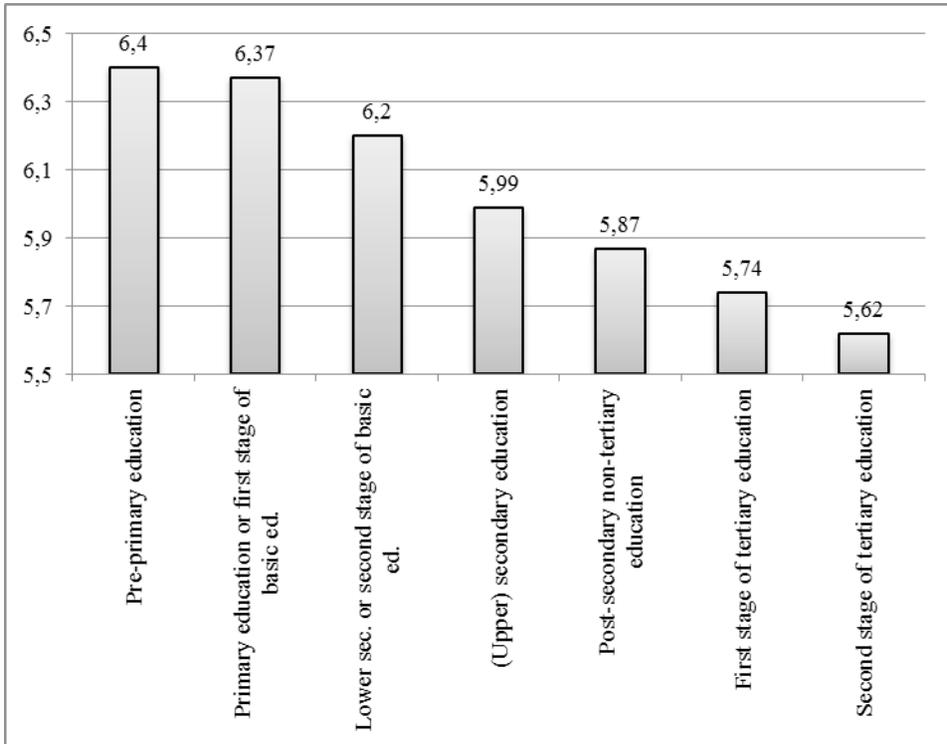
		Mean diff. (I-J)	Std. err.	Sig.	95% confidence interval	
					Lower bound	Upper bound
Pre-primary education	Primary	,030	,085	,721	-,14	,20
	Lower secondary	,195*	,076	,011	,04	,34
	(Upper) secondary education	,402*	,072	,000	,26	,54
	Post-secondary	,524*	,078	,000	,37	,68
	Tertiary I	,658*	,074	,000	,51	,80
	Tertiary II	,777*	,154	,000	,47	1,08

Primary education or first stage of basic ed.	Pre-primary education	-,030	,085	,721	-,20	,14
	Lower secondary	,164*	,064	,010	,04	,29
	(Upper) secondary education	,372*	,058	,000	,26	,49
	Post-secondary	,494*	,066	,000	,36	,62
	Tertiary I	,628*	,061	,000	,51	,75
	Tertiary II	,747*	,148	,000	,46	1,04
Lower sec. or second stage of basic ed.	Pre-primary education	-,195*	,076	,011	-,34	-,04
	Primary	-,164*	,064	,010	-,29	-,04
	(Upper) secondary education	,207*	,045	,000	,12	,30
	Post-secondary	,330*	,055	,000	,22	,44
	Tertiary I	,464*	,049	,000	,37	,56
	Tertiary II	,582*	,144	,000	,30	,86
(Upper) secondary education	Pre-primary education	-,402*	,072	,000	-,54	-,26
	Primary	-,372*	,058	,000	-,49	-,26
	Lower secondary	-,207*	,045	,000	-,30	-,12
	Post-secondary	,122*	,048	,011	,03	,22
	Tertiary I	,256*	,041	,000	,18	,34
	Tertiary II	,375*	,141	,008	,10	,65
Post-secondary non-tertiary education	Pre-primary education	-,524*	,078	,000	-,68	-,37
	Primary	-,494*	,066	,000	-,62	-,36
	Lower secondary	-,330*	,055	,000	-,44	-,22
	(Upper) secondary education	-,122*	,048	,011	-,22	-,03
	Tertiary I	,134*	,052	,009	,03	,24
	Tertiary II	,253	,145	,081	-,03	,54
First stage of tertiary education	Pre-primary education	-,658*	,074	,000	-,80	-,51
	Primary	-,628*	,061	,000	-,75	-,51
	Lower secondary	-,464*	,049	,000	-,56	-,37
	(Upper) secondary education	-,256*	,041	,000	-,34	-,18
	Post-secondary	-,134*	,052	,009	-,24	-,03
	Tertiary II	,118	,142	,405	-,16	,40
Second stage of tertiary education	Pre-primary education	-,777*	,154	,000	-1,08	-,47
	Primary	-,747*	,148	,000	-1,04	-,46
	Lower secondary	-,582*	,144	,000	-,86	-,30
	(Upper) secondary education	-,375*	,141	,008	-,65	-,10
	Post-secondary	-,253	,145	,081	-,54	,03
	Tertiary I	-,118	,142	,405	-,40	,16

The comparison of means suggests that there is a significant increase of international orientation with the rise of education of the entrepreneur. That is also confirmed by results of one-way ANOVA. Moreover, almost all differences among means in different groups are statistically significant, except for the differences between entrepreneurs with pre-primary education and primary education or first stage of basic education, and also between entrepreneurs with post-secondary, non-tertiary education and first and second stages of tertiary education. Those results

provide support for hypothesis H2. Figure 1 presents the graphical interpretation of the results.

Figure 1. Relation between education and international orientation (Authors' own work based on GEM data).



Discussion, limitations, contributions and future research

The most important variable of the level of entrepreneurship internationalization according to the research is the level of education of an entrepreneur. The results clearly show that the higher the level of education of an entrepreneur is, the higher the international orientation of his firm. Not only high educational level provides knowledge about foreign economies, trade mechanisms and business networks, it also comprises a certain amount of international experience provided by mobility semesters, working in multinational groups of students and international research projects. It gives entrepreneur a global vision which lowers the psychic distance between the domestic market and foreign markets.

Although previously researchers have often stressed that international entrepreneurs are young proactive managers, we suggest that currently the age

of entrepreneur does not define international orientation of a company. Results of our research expose shift in the age groups of international entrepreneurs. It shows that globalization and economic integration mechanisms force constant development and change in the entrepreneurial environment. Several decades back, when internationalization research have become a topic of interest for the economic sciences, younger entrepreneurs turned out to be more internationally oriented. However, our research proves that this trend has been declining, as differences between age categories of international entrepreneurs are not statistically significant. It can be caused by worldwide availability of international business studies, government support programs for international entrepreneurs and expanding internationalization culture. Being proactive and having global vision is not enough in the contemporary environment, whereas entrepreneur's education, international experience and job experience also play significant role in the intensity of internationalization.

Another significant outcome which shows change in the entrepreneurial environment is lack of dependence between international orientation and levels of entrepreneurial intentions, perceived opportunities and perceived capabilities. As international entrepreneurship meant larger amount of risk before, international entrepreneurs were associated with risk-oriented mentality. Now worldwide economic integration causes that firm internationalization is getting more and more available. Therefore, personal characteristics of entrepreneurs such as low risk aversion tend to have less influence on the level of entrepreneurial orientation of the company.

Results obtained make important contribution to entrepreneurship research. Data presented shows significant shift in international entrepreneurship trends - internationalization is getting more available, less risky and more natural for entrepreneurs of different ages, backgrounds and individual characteristics. Global Entrepreneurship Monitor data provides quality basis for entrepreneurship research, as it gives global international picture of current trends. GEM data not only shows the official picture of entrepreneurial activity, it provides a more detailed picture like behavior of entrepreneurs starting or managing a firm.

The research provided has several limitations. Due to specific aims of the research, many variables were not taken into consideration. The results would probably be more precise if individual-level characteristics would be analyzed together with macro factors and firm-level variables. Another limitation is a problem of considerable amount of data provided by GEM which allows to obtain more credible results, however at the same time does not allow to differentiate the results between specific sub-categories like countries, age groups, etc. Therefore, in the future research in this area we suggest to take into consideration more variables which can determine international orientation of a company and to provide more specific results.

Conclusion

The article has described evolving of the internationalization term in the literature and rise of the “international entrepreneurship” in the last decades. It has defined determinants of internationalization stating that personal characteristics of an entrepreneur have always been considered one of the most important factors of internationalization. The research provided has verified the above statement by analyzing determinants of firm internationalization on the individual level.

The results show that the only variable which determines international orientation of a company is the level of education of an entrepreneur. However, all other characteristics of an entrepreneur do not correlate with an international orientation of a firm. Results obtained make important contribution to entrepreneurship research - they show significant shift in international entrepreneurship trends - internationalization is getting more available, less risky and more natural for entrepreneurs of different ages, backgrounds and individual characteristics. International orientation of a company is getting more common among the entrepreneurs.

The outcomes indicate that empirical investigators interested in firms internationalization can not only base their research on the internationalization theories of the researchers from previous decades, as the current entrepreneurial environment is constantly changing. Therefore, empirical research is needed to understand the determinants of firms internationalization more completely.

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