



NTNU – Trondheim
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Science and Technology

Characteristics and attitudes of successful entrepreneurs

A comparable study of Norwegian
entrepreneurs in Norway and in the US

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I have not failed.
I've just found 10,000 ways that won't work.

Thomas A. Edison

MASTERKONTRAKT

- uttak av masteroppgave

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Partene er gjort kjent med avtalens vilkår, samt kapitlene i studiehåndboken om generelle regler og aktuell studieplan for masterstudiet.

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Preface

This thesis is completed by Anita Kaur Mongia and constitutes the results of the 10th and final semester of the Master of Science program at the Norwegian University of Science and Technology (NTNU). This thesis is the final report in the course TIØ4945 – Innovation and Entrepreneurship, Master thesis. The research was completed during an exchange semester in Boston, USA, lasting from February to June 2013.

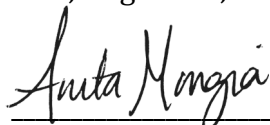
The interest in this research is based on questions raised from the author's personal experience from both the Norwegian and US entrepreneurial environment. Additional questions surfaced after completing a literature study during fall 2012. The empirical data for this paper was collected from 12 interviews of various entrepreneurs conducted during the exchange semester in Boston. The results gathered from the qualitative research was then put in a theoretical context and linked to findings from the Global Entrepreneurship Monitor (GEM).

The author would like to express gratitude towards her academic supervisor, Associate Professor Dr. Oecon. Lars Øystein Widding, at the NTNU Entrepreneurship Center for invaluable support and feedback. Special thanks are offered to Dr. Candida Brush for excellent feedback and knowledge of the subject, and for always being at disposal for advice and guidance. Her insightful observations and passion for the subject inspired and encouraged the author throughout the course of the research. She also offered great assistance when developing the research design, and when analyzing the gathered information.

The author would also like to thank the many entrepreneurs who offered their experience, knowledge and time when deciding to take part in the research. Their insights into, and experience within, the field of entrepreneurship in Norway and the US has offered great value to this research. Due to disclosure of sensitive information the individual entrepreneurs have decided to keep their identity and their company's, confidential, and their transcripts are therefore not included in this paper. Final thanks are offered to Helen Gjester at Innovation Norway for assistance with identifying possible entrepreneurs to interview.

The thesis still contains defects, mainly due to the limitation of the author. The results of this thesis require additional research and verification, but the author hopes that her and the entrepreneurs perspectives can add value to the subject of Norwegian entrepreneurs, their attitudes and their strive for success and serve as inspiration for further research.

Boston, August 16, 2013.



Anita Kaur Mongia

Abstract

As entrepreneurial activity and economical growth are closely connected to each other, it should be desirable for any country to have a high entrepreneurial activity. It becomes important to evaluate the current status of the entrepreneurial situation in order to find areas that require improvement. Norway experienced an all time low measurement of entrepreneurial activity in 2012. The same year, the US experienced the complete opposite, an all time high in measured entrepreneurial activity since 2004. As it seems, Norway and the US have opposite results when it comes to entrepreneurial activity and the development. Due to the lack of research completed on the field of entrepreneurial activity in Norway it becomes a challenge to acquire the required knowledge that would allow the country to actually improve within the field of entrepreneurship. After having gained insight into the current entrepreneurial situation in Norway through the research findings of the Global Entrepreneurship Monitor (GEM) and an initial literature review, it became clear that certain attitudes and characteristics were associated with wanting to become an entrepreneur and that specific attitudes lead to successful startups. As both of these themes can be positively associated with the total entrepreneurial activity in a country, it became desirable to gain insight into potential differences or similarities between Norwegian entrepreneurs in Norway and Norwegian entrepreneurs in the US, in addition to looking at the potential difference between what is defined as successful or discontinued ventures. In this way the research compares the two different entrepreneurial contexts, as well as their impact on a successful outcome. Several hypotheses are composed and tested in order to gain insight into the entrepreneurial attitudes in Norway and their relation to success. The specific hypotheses tested are; H1: An entrepreneurial venture is more likely to not discontinue, in this case referred to as being a success, if the venture has obtained initial sales, received funding and is working with the startup fulltime, H2; Norwegian entrepreneurs display less motivation than entrepreneurs in the US and therefore are less persistent and less successful and H3; Norwegian entrepreneurs in Norway are less successful compared to entrepreneurs in the US due to low risk tolerance. Support was found for hypothesis H1, although no support was found for hypotheses H2 and H3. Although previous entrepreneurial research suggests the entrepreneurial activity being affected by the environment, this research does not confirm that. The variables researched seem to have an impact on success and discontinuance of a startup, but not on the specific country and environment of where it was established. This information is not able to explain why there is a higher level of entrepreneurial activity in the US compared to Norway other than that there is a more supporting culture for entrepreneurs, making it more desirable to become one. The findings suggest that Norwegian entrepreneurs in Norway have the same abilities to succeed as the entrepreneurs in the US. Additional research within the field of entrepreneurial motivation and aspirations in Norway might uncover additional reasons for not wanting to pursue entrepreneurial opportunities and rather be a fulltime employer. By gaining insight into the decision making process and reason comparing non-entrepreneurs to current entrepreneurs in Norway, this might lead to valuable information for potential policy improvement.

Sammendrag

Siden entreprenøriell aktivitet og økonomisk vekst er linket tett opp mot hverandre, er det ønskelig for et land å oppnå høy entreprenøriell aktivitet. Det er derfor viktig å kunne evaluere den nåværende entreprenørielle statusen for å kunne finne områder som kan og gjerne må forbedres. I 2012 oppnådde Norge den laveste målingen av entreprenøriell aktivitet siden 2004. Samme året, opplevde USA det komplett motsatte, nemlig den høyeste målingen av entreprenøriell aktivitet siden 2004. Det ser ut som om Norge og USA opplever gjennomgående motsatte målinger og resultat når det gjelder entreprenøriell aktivitet og utvikling. På grunn av mangelfull forskning innen entreprenøriell aktivitet i Norge, er det en utfordring å finne relevant kunnskap og informasjon som kan hjelpe Norge til å forbedre seg innen entreprenørskap og innovasjon. Mer innsikt i den entreprenørielle situasjonen i Norge ble oppnådd ved å gjennomgå informasjon gjort tilgjengelig av undersøkelser utført av Global Entrepreneurship Monitor (GEM), i tillegg til å ha gjennomgått en litteratur undersøkelse. Det ble da klart hvilke holdninger og kjennetegn som er relatert til ønsket om å bli entreprenør, samt hvilke holdninger som fører til suksessfulle oppstarter. Siden begge disse områdene kan positivt kobles to den totale entreprenørielle aktiviteten i et land, var det av interesse å få innsikt i potensielle ulikheter eller likheter blant norske entreprenører i Norge og norske entreprenører i USA. I tillegg utforskes de ulike definisjoner av suksess og nedleggelse av oppstarter. På denne måten sammenligner denne forskningsoppgaven to ulike entreprenørielle kontekster, i tillegg til hvilken grad de påvirker et suksessfullt resultat. Flere hypoteser har blitt satt sammen og testet for å kunne få innsikt i entreprenørielle holdninger i Norge og hvordan de relateres til suksess. De spesifikke hypotesene som er testet er; H1: An oppstart har større sannsynlighet for å ikke legge ned, i dette tilfelle også referert til som en suksess, hvis oppstarten har oppnådd første salg, mottatt finansiell støtte og har jobbet med oppstarten fulltid; H2: norske gründere er mindre motiverte enn norske entreprenører i USA, er mindre utholdende og derfor mindre suksessfulle; og H3: norske entreprenører i Norge er mindre suksessfulle sammenlignet med norske entreprenører i USA på bakgrunn av lav risiko toleranse. Hypotese H1 ble det funnet medhold i, men ingen støtte gis til hypotesene H2 og H3. Selv om tidligere forskning fremlegger at entreprenøriell aktivitet er påvirket av omgivelsene, finner ikke denne forskningen støtte for dette. Variablene som er undersøkt ser ut til å ha en innvirkning på suksess og nedleggelse av en oppstart, men ikke på det spesifikke landet og miljøet hvor oppstarten ble etablert. Den fremlagte informasjonen er ikke i stand til å forklare hvorfor det er det er mer entreprenøriell aktivitet i USA sammenlignet med Norge, bortsett fra at det er mer tilrettelagt og ønskelig å bli entreprenør. Resultatene foreslår at norske entreprenører i Norge har de samme evner til å kunne lykkes som entreprenør i USA. Ytterligere forskning innen entreprenøriell motivasjon og ambisjoner i Norge kan avdekke potensielle grunner til at så få ønsker å bli entreprenører i Norge og heller søker tradisjonelle jobb alternativer. Ved å oppnå ytterligere innsikt i beslutningsprosessen og begrunnelse bak valgene til entreprenører sammenlignet med ikke-entreprenører i Norge, kan man kanskje komme frem til verdifull informasjon når det gjelder mulige politiske forbedringer innen entreprenørskap.

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1 Introduction

Success is not final,
failure is not fatal;
it is the courage to continue that counts.

Winston Churchill

1.1 Research objective

Entrepreneurship, as a research field, has increased in interest and research publications the last 30 years and has a growing scientific community contributing to the field through conferences and publications (Bull, 1993). There is a lack of research developed to understand certain phenomena, especially on entrepreneurial performance (Shane & Venkataraman, 2000). Even though the overall research field regarding entrepreneurship is being increasingly recognized, there is a lack of both entrepreneurial activity and scientific publication contributed from Norway (Damvad, 2010). Most of the current research carried out within this field, especially in Norway, is based on surveys and statistical analysis rather than empirical case studies (Damvad, 2010). According to the Global Entrepreneurship Monitor (GEM, henceforward) research, Norway reported in 2012 the lowest measure of total entrepreneurial activity since 2004 (Åmo, 2012). As entrepreneurial activity and economical growth are closely connected to each other, it should be desirable for Norway to increase their overall entrepreneurial activity. Due to the lack of research completed on the field of entrepreneurial activity in Norway it becomes a challenge to acquire the required knowledge that would allow the country to actually improve within the field of entrepreneurship. It becomes important to evaluate the current status of the entrepreneurial situation in order to find areas that require improvement.

Often, the best way to find ways to improve on something is to study an example of success. As mentioned, Norway experienced an all time low measurement of entrepreneurial activity in 2012. The same year, the US experienced the complete opposite, an all time high in measured entrepreneurial activity since 2004. As it seems, Norway and the US have opposite results when it comes to entrepreneurial activity and the development. The US was therefore selected as a country of reference when deciding to look into the entrepreneurial situation in Norway for this research. There are many possible themes and fields of interest that can be researched when trying to gain insight into the mindset of Norwegian entrepreneurs and the potentially information on where to make improvements in order to increase the overall entrepreneurial activity in the country. Initially, the purpose of this research was to get insight into the different effects that various attitudes and policies could have on entrepreneurial activity in Norway and in the US. It was also the intention to look into what attitudes that had an impact on whether or not the startup came to be successful or not. With focus on obtaining insights into the low Norwegian entrepreneurial activity, the aim was to be able to suggest policy improvements that could have a positive effect on success rate, and thereby the total entrepreneurial activity in the country. After having gained insight into the current entrepreneurial situation in Norway through the research findings of the GEM and an initial literature review, it became clear that certain attitudes and characteristics were associated with

wanting to become an entrepreneur and that specific attitudes lead to successful startups. As both of these themes can be positively associated with the total entrepreneurial activity in a country, it became desirable to gain insight into potential differences or similarities between Norwegian entrepreneurs in Norway and Norwegian entrepreneurs in the US, in addition to looking at the potential difference between what is defined as successful or discontinued ventures. This way it would be possible to compare the two different entrepreneurial contexts, as well as their impact on a successful outcome. To sum up, the overall research objective of this paper is to add insight into the potential reasons for currently experiencing an all time low entrepreneurial activity in Norway. This is accomplished by selecting specific properties and characteristics related to successful startups, such as intentionality, resources, boundaries and exchange (Manolova, 2012). After having identified these characteristics, additional insight is offered by comparing Norwegian entrepreneurs in Norway to the ones in the growing entrepreneurial environment in the US.

As Åmo (2012) suggests, additional attention needs to be directed towards developing the entrepreneurial attitude in Norway in order to stimulate innovation and growth.

The main objective of this study is to test several hypotheses in a deductive explanatory manner. Added inductive and exploratory research from case studies aims to add empirical value to the research. These two types of data are combined with theoretical research using added value and the three data types are then triangulated for the purpose of final analysis and discussion.

To the author's knowledge, this research paper is the first of its kind to use empirical data based on this specific context, triangulated with GEM findings and existing research. Based on information obtained from the GEM research and from an initial literature review, several hypotheses are composed and tested in order to gain insight into the entrepreneurial attitudes in Norway and their relation to success. The specific hypotheses tested are; H1: An entrepreneurial venture is more likely to not discontinue, in this case referred to as being a success, if the venture has obtained initial sales, received funding and is working with the startup fulltime, H2; Norwegian entrepreneurs display less motivation than entrepreneurs in the US and therefore are less persistent and less successful and H3; Norwegian entrepreneurs in Norway are less successful compared to entrepreneurs in the US due to low risk tolerance.

The main purpose of this research paper is to meet the stated objectives in addition to verifying the correctness of the listed hypotheses. In addition to this, it is also in the interest of the author to increase knowledge within and offer an overall insight into the current entrepreneurial environment in Norway and thereby add understanding of the Norwegian entrepreneurs by academics, practitioners and policy makers, and hopefully offer potential improvements that can help increase the country's future total entrepreneurial activity.

1.2 Scope and limitations of thesis

In order to be able to gain insight into the mindset of Norwegian entrepreneurs and the information on where to make improvements in order to increase the overall entrepreneurial activity in the country, there are many different themes and subjects that needs to be researched. In order to maintain focus and add value within one specific field rather than trying to soccer too much as once and risk the possible information overload as a consequence, there are some limitations to this research. First of all, the research will have a main focus on Norwegian entrepreneur, both in Norway and in the US. The research done about the US entrepreneurship environment is only meant to be supportive in ways to find possible ways to ultimately increase the overall entrepreneurial activity in Norway. In order to get a better understanding of how to possibly increase entrepreneurial activity in Norway, this research focuses on the human capital that could have an impact on increasing the success rate of entrepreneurs. The two groupings of status for an entrepreneur are therefore divided into successful and discontinued. The research will also be limited by focusing on entrepreneurs within 3 main industries in order to increase the validity of the results and comparisons. More about definitions and additional research limitations is presented throughout the research paper.

1.3 Structure of thesis

This thesis is overall structured as a typical research paper, where the introductory section is followed by an insight into the theoretical context of the research, in this case an overview of the entrepreneurial environment and entrepreneurial characteristics in Norway compared to that of the US. This section will also include definition of entrepreneurial success and present and how to best achieve it. By using the theoretical background, hypotheses are formed in order to meet the overall research objectives. This section also presents limitations related to the research and the applied methods. The following section presents the research design and methods applied throughout the study in order to increase trustworthiness, validity and reliability of the research design and results.

Following the section on methodology is the section presenting a short version of the results obtained from the empirical research. Thereby the hypotheses are addressed and so is their validity by triangulating them with the theoretical implications with the empirical findings. The hypotheses analyzed and discussed in their relevant context and future implications are addressed alongside a final concluding statement. In closing the paper offers suggestions to further research that could add value to this research in addition to increase understanding, knowledge and potentially activity of entrepreneurship in Norway.

2 Theoretical background and hypotheses

“In order to succeed,
your desire for success should be greater
than your fear of failure.”

Bill Cosby

The land of opportunities. The American Dream. If you make it there, you can make it anywhere. This is a common perception of the entrepreneurial mindset and environment that is present in the U.S. Most people, who came to the U.S, were forced to be entrepreneurs, in order to make a living. And history gives us several proofs that the entrepreneurial and innovative mindset was and still is present and allows for economical growth and development; the Wright brothers, Graham Bell, Benjamin Franklin, Rockefeller, Walt Disney, Bill Gates, Steve Jobs, Ralph Lauren, Martha Stewart and Mark Zuckerberg. Most people have heard of these entrepreneurs, inventors and icons.

Norway on the other hand, is less known for its innovators and entrepreneurs. As the world 5th largest exporter of oil and the world's largest producer of Atlantic salmon, Norway is less dependent on small businesses to drive the economy. Most companies in Norway do not grow large and international (Hipp, 2011). Norwegian companies tend to rather grow large domestically, export in the EU, get acquired or stay small internationally. For over a century, companies have ventured internationally only after having established themselves in their home market (Isenberg, 2008). This trend is slowly changing, as there are more global entrepreneurs starting international companies in order to serve a larger market and to gain competitive advantage. Since the Norwegian market is so limited, globalization of companies would seem as the natural growth option.

Entrepreneurs are often said to have a certain quality to them as opposed to those to decide to be gainfully employed and not pursue opportunities. This certain quality is often related to the characteristics of the entrepreneur, with focus on their aspirations and attitudes towards entrepreneurship and opportunities. When discovering that the U.S. had a higher level of entrepreneurship activity than Norway, the questions of whether or not Norwegians had this certain required quality arose. When looking at definitions of an entrepreneur and research characteristics of Norwegian entrepreneurs and the U.S. entrepreneurial environment, the main definitions of entrepreneurship and entrepreneurs seemed to coincide with the definitions of entrepreneurs in the U.S. It seemed as though Norwegians are less entrepreneurial when compared to the U.S. and have a less supporting culture for becoming entrepreneurs.

2.1 Definition of entrepreneur and entrepreneurship

In order to gain insight into the various characteristics and properties of entrepreneurship, it is important to have an understanding of what an entrepreneur is and does. Throughout time, there have been various definitions as to what an entrepreneur is and what it entails to be an entrepreneur. Entrepreneurship, according to Harvard Professor Howard Stevenson

(Eisenmann, 2013), is the pursuit of opportunity beyond ones controlled resources. Entrepreneurs are the ones realizing these new opportunities by using the, often limited, resources available. This often implies that there is certain amount of risk is involved, as the resources are beyond the entrepreneur's control. Some say that entrepreneurship and the mindset is something you are born with, there amongst Alan Jacobowitz (Cohen, 1980), while others believe these attributes and skills are somehow teachable (Kao, 1989). Jacobowitz (Cohen, 1980) believes that entrepreneurs share certain personal characteristics, while Kao on the other hand holds that "entrepreneurship is environmentally determined" and therefore possible to learn. If the entrepreneur and the entrepreneurial activity, as Kao suggests, is environmentally determined, then this activity surely must vary between various environments, for example different markets and countries. He also claims that capital availability, mechanisms for realizing value, and availability of other resources namely human resources, information resources such as libraries and data banks, and infrastructure resources such as inexpensive space and other factors play an important role as the whether or not the entrepreneurial activity occurs or not (Kao, 1989). By combining Jacobowitz's view that entrepreneurs indeed do share certain personal characteristics with Kao's view that entrepreneurship is teachable and environmentally determined, this initial comparable study of the characteristics Norwegian and U.S. entrepreneurship sets out to find the main entrepreneurial differences by taking a closer look at entrepreneurial attitudes and properties. In order to do so, a clear definition of entrepreneurial attitudes and aspirations (characteristics) and opportunities is required.

There is a clear connection between the entrepreneurial attitude and the entrepreneurial activity in a country (Åmo et al., 2010). There are several different views on how entrepreneurial activity is carried out, where especially Schumpeter and Kirzner are central views. Schumpeter believed that entrepreneurship was a consequence of changes in the economical system, the creation of preconditions for commercialization of innovations and the task of the entrepreneur was to create profits by producing and distributing good and services (Kirzner, 1999). He meant that there was an unbalance in the economical system, and that the entrepreneur created balance by being disruptive. Kirzner on the other hand, meant that the entrepreneur do not create unbalance, but rather is alert and sees possibilities (Kirzner, 1999). In other words, Kirzner believes that the entrepreneur is one that sees possibilities, but does not necessarily act on them. This research combines these views and when referring to entrepreneurial characteristics, the reference includes the functional attributes and aspirations of people who have already decided to pursue an opportunity, in addition to people with future aspiration to pursuing perceived entrepreneurial opportunities. David Burnett (Burnett, 2000) claims that

entrepreneurs, by definition, need an opportunity and the willingness to become an entrepreneur in order to become entrepreneurs. In addition, Ireland (2003) adds that the identification of opportunities is key for creating value, which is most often the desired outcome for an entrepreneur.

Schumpeter (Landström, 2000) summed up the characteristics of an entrepreneur to being a person with a desire and intention of building a personal kingdom through the joy of creating. He also characterized the entrepreneur as having a drifting nature and being aggressive. Kirzner added that the entrepreneur needs to be active, alert and creative. The entrepreneur is identified as being more individually oriented than people who are not entrepreneurs (Beugelsdijk et al., 2005), and more open to risk and uncertainty. The entrepreneur has the ability to focus and to take advantages of such uncertainties (McGrath and MacMillan, 2000).

An entrepreneur is said to have or need to acquire specific capital (Burt, 2000) in order to pursue the perceived market opportunities. This includes financial capital (monetary), social capital (relationships) and human capital (natural abilities). This paper will make use of human capital when referring to entrepreneurial characteristics. The human capital includes the attitudes and aspiration that drives a person to pursue entrepreneurial opportunities. When looking at entrepreneurs, the human capital factors in this study refer to the persons perception of opportunities, the ability and intention to pursue opportunities, the capabilities needed to do so, the fear of failure related to the opportunity and international orientation. These individual characteristics are often influenced by the social, cultural and economic environment that surrounds the entrepreneur, which is why entrepreneurs from the same country often share the same characteristics. Berglann (2011) adds that factors like occupational qualifications, family resources, gender, and work environments have an effect in whether or not people decide to become entrepreneurs or not.

There are some main entrepreneurial characteristics that differentiate Norwegian entrepreneurs from the U.S. ones and therefore are believed to have an impact on the increasing difference in entrepreneurial activity in the two countries. The Global Entrepreneurship Monitor (GEM) has collected information regarding various nations entrepreneurial aspirations and attitudes, which will be applied here in order to identify potential differences that Norwegian entrepreneurs might have or lack compared to U.S. entrepreneurs. Comparing these results to the empirical findings on Norwegian entrepreneurs in Norway and the US aim to offer more insight into the impact of the entrepreneurial context and its relation to success. In order to uncover potential differences between the Norwegian entrepreneurs in Norway and the ones in the US, an insight into characteristics of internationalization is also explored.

By looking at four dimensions of human capital; international business skills, international orientation, perceptions of the environment, and demographic characteristics, studies show that only environmental perception and self-assessed capabilities in international business skills determine the decision to internationalize (Manolova et al., 2002). These human capital factors are unique to the entrepreneur and inimitable, and can therefore impact the possible international orientation of a startup.

Research on internationalization (Manolova et al., 2002) suggests that there is no link between the decision to internationalize and the entrepreneur's age, education, tenure or gender. On the other hand, there is a strong connection between personal factors, such as business skills and environmental orientation, and the international scope of the business. For an entrepreneur having international experience and skills in addition to positive environmental perceptions, the act of internationalization propose less amount of uncertainty than to those entrepreneurs who do not have these skills. Environmental perceptions mainly refer to the assessment of the entry market and surroundings that affect entrepreneurship along with legislations, technology etc.

But what differentiates an entrepreneur from different parts of the world, and are the types of entrepreneurs and entrepreneurship somewhat similar and transferable to other markets, countries and entrepreneurial opportunities? And more importantly what defines a Norwegian entrepreneur? And if entrepreneurship and entrepreneurs are in fact environmentally determined, can the attributes and skills that Kao speaks of be transferred from one environment to another in order to pursue entrepreneurial opportunities? This research uses the entrepreneurial definition presented by Kao and in order to find out more about internationally oriented Norwegian entrepreneurs in the U.S., additional information about U.S. and Norwegian entrepreneurship is required. In order to gain more insight into the entrepreneurial situation of the two nations and possible prerequisite to success, comparable results from the GEM research is presented.

2.2 Global Entrepreneurship Monitor

The Global Entrepreneurship Monitor (GEM) is a research program aiming to harmonize the cross-national data sets on entrepreneurship. The project is an annually assessment of the entrepreneurial activities in wide range of countries, that includes the aspirations and attitudes of individuals in these various countries. The program was initiated by Babson College and London Business School in 1999, and has gone from covering 10 countries to nearly including over 100 nations around the world.

The GEM program differs in the way it studies the behavior of the individual entrepreneur, related to starting and managing a business (Global Entrepreneurship Monitor, 2013). This approach gives a more detailed view of entrepreneurship, and allows for comparing specific nations to each other. The GEM program is the largest research conducted on entrepreneurial dynamics in the world.

Understanding national growth is closely related to entrepreneurship, which is one of the main forces shaping the changes in the economic environment (Brush et al., 2009). The GEM reports focuses mainly on three objectives:

- to measure difference in the level of entrepreneurial activity between nations
- to uncover factors determining national levels of entrepreneurial activity
- to identify policies that may enhance national levels of entrepreneurial activity

GEM uses a model in order to explore the link between entrepreneurship and economic development. This model is made up of various key elements that are researched, compared and analyzed. The model uses a distinction between phases of economic development, which also can be related to Porters “factor-driven economies”, “efficiency-driven economies” and “innovation-driven economies” (Global Entrepreneurship Monitor, 2012), and describes under which conditions entrepreneurship and innovation can succeed.

Looking at the GEM model (Figure 1), there are certain areas that are more interesting when looking at differences in entrepreneurial characteristics between two nations. When using the GEM model and the comparing the results from Norway and the U.S from various years, the main focus will be on attitudes, the social and cultural context, in addition to the cultural and social norms. By looking at the GEM model, this includes the GEM national expert surveys (NES), and the GEM adult populations Surveys (APS). The NES monitors and measures the entrepreneurial framework conditions (EFC), and are completed by more than 36 experts within each GEM country. There are nine EFC’s, and include the measurement of a country’s:

- Finance
- Government policies
- Government programs
- Entrepreneurial education and training
- R&D transfer
- Commercial and professional infrastructure
- Internal market openness
- Physical infrastructure and services
- Cultural and social norms

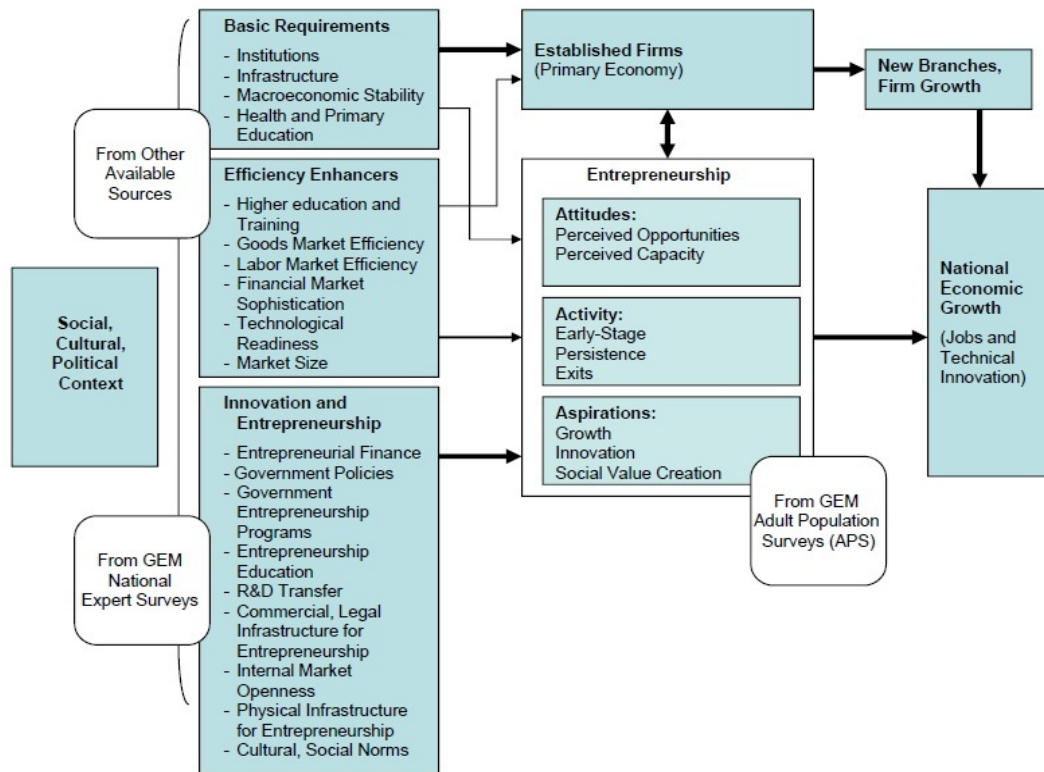


Figure 1 - GEM model (Global Entrepreneurship Monitor, 2013)

Although there are several aspects of entrepreneurship that can be compared, the main focus for this research are the characteristics of the entrepreneur themselves and the potential differences identified in the two countries of interest, the U.S. and Norway. The information gathered from the GEM and the main part of the entrepreneurial comparison, is mainly obtained from the APSs. The APS is a broad questionnaire completed by over 2000 adults in the individual countries, with a purpose of collecting information of the entrepreneurial activity, attitude and aspirations (Global Entrepreneurship Monitor, 2013). The main purpose of the GEM reports is to give an overview and measure the individual involvement of entrepreneurs in the creation of new ventures. This is the clear advantage of using the GEM reports. This enables research to be done on various characteristics that differentiates entrepreneurs in specific countries from each other.

The GEM reports were favored over the Kauffman Index of Entrepreneurial Activity (KIEA), the National Establishment Time-Series (NETS) Database, the World Bank Group Entrepreneurship Survey, the Bureau of Labor Statistics data and the OECD Eurostat Entrepreneurship Indicator Programme based on current and available comparable measurements of entrepreneurial motives and activity in the two selected countries. The GEM focuses on the characteristics of the nascent entrepreneur, and allows for a comparable study. The main focus will be on compare the entrepreneurs':

- Aspirations:
 - growth expectations
 - international orientation and
- Attitudes and perceptions:
 - perceived capabilities and opportunities
 - fear of failure rate
 - entrepreneurship as a desirable career choice
 - entrepreneurial intentions

In order to connect the attitude and aspirations of the entrepreneur to the cross-national entrepreneurial activity, the total entrepreneurship rate (TEA) and the nascent entrepreneurship rate are compared. The total entrepreneurship rate will reveal information about the entrepreneurial activity level and the background for nascent entrepreneurs to pursue entrepreneurship as a career path.

There are several aspects of the entrepreneurial environment, such as political, market and financial, that has not been the main focus throughout this comparison. These aspects do of course have an impact on the entrepreneur, and it is assumed that they have been accounted for in the results of the GEM reports. As mentioned, the GEM is unique in the way it focuses on the individual, taking the surrounding aspects into account, but still focusing on the attitude and aspirations of the entrepreneur, in addition to the social and cultural context. That way, the GEM reports give a good overview of the attitude of the entrepreneur, without having to explore the surrounding market as well as the political and financial restrictions. It is assumed that these aspects already have been accounted for, as the reports are completed for and by each individual country. Using the GEM reports, therefore, gives a good overview of the individual entrepreneur in the respective countries.

The comparison carried out will try to represent the differences in these entrepreneurial attitudes and aspirations. The results will then be further discussed and related to relevant theory in order to increase understanding of comparison and differences. In order to get an overview of the main differences between entrepreneurial activity in Norway and in the U.S., the GEM reports and results from 2012 from both nations have been studied and compared. The Global and national GEM reports from 2009 to 2011 have also been considered when assessing the entrepreneurial characteristics of these two countries, especially when using statistical information. The selection of reports is based on the latest reports available and also the advantage of getting access to research done in the aftermath of the financial crises of 2008.

Numbers and statistics from the online GEM database have been applied throughout the research in order to get an overview of the entrepreneurial trends (over time) and comparable characteristics (between Norway and the U.S.). These numbers are available in all GEM reports and also through the online GEM data visualization and dataset download.

2.3 Entrepreneurial context and characteristics compared

There are several similarities and differences that immediately come to mind when comparing two countries such as Norway and the U.S. The most obvious differences are the size of the countries themselves, its population, language, economic inequality, (Noyes et al., 2010), measurement system and governments. The U.S. is a market-oriented economy, while Norway features a combination of free market activity and governmental regulations. Some of the similarities are that both of the countries are developed, western, innovation-driven countries. Another less known similarity between these two countries is their level of entrepreneurship activity has taken a very different direction for these two nations.

When comparing entrepreneurial activity in various countries, the focus most often is on the infrastructure and the economy of the country. When comparing aspirations and attitude the focus is on the entrepreneur and its intentions and background. Besides the entrepreneurs themselves, entrepreneurial activity is dependent on several external factors such as regulations, culture and economic situation. In this case the focus is on the entrepreneur in specific, and the reason for why some entrepreneurs are internationally oriented when some are not. The background for such intentions can be compared to the entrepreneurial intentions certain people have to become entrepreneurs in the first place. These intentions will be further analyzed in order to identify the major differences between Norwegian entrepreneurs and the ones in the U.S. in order to shed more light on the results from the GEM comparison of the two nations.

Norway, compared to other similar high-income level nations, has a high level of entrepreneurial activity. When comparing a country's GDP and TEA, it is important to keep in mind that due to Norway's dependency of the prices of raw material, especially fish and oil, the basis of the comparing might differ from the country it is being compared to. Major changes have resulted in an increase in the entrepreneurial activity in the U.S., while Norway have been affected by an all time low score since 2004 (Åmo, 2012).

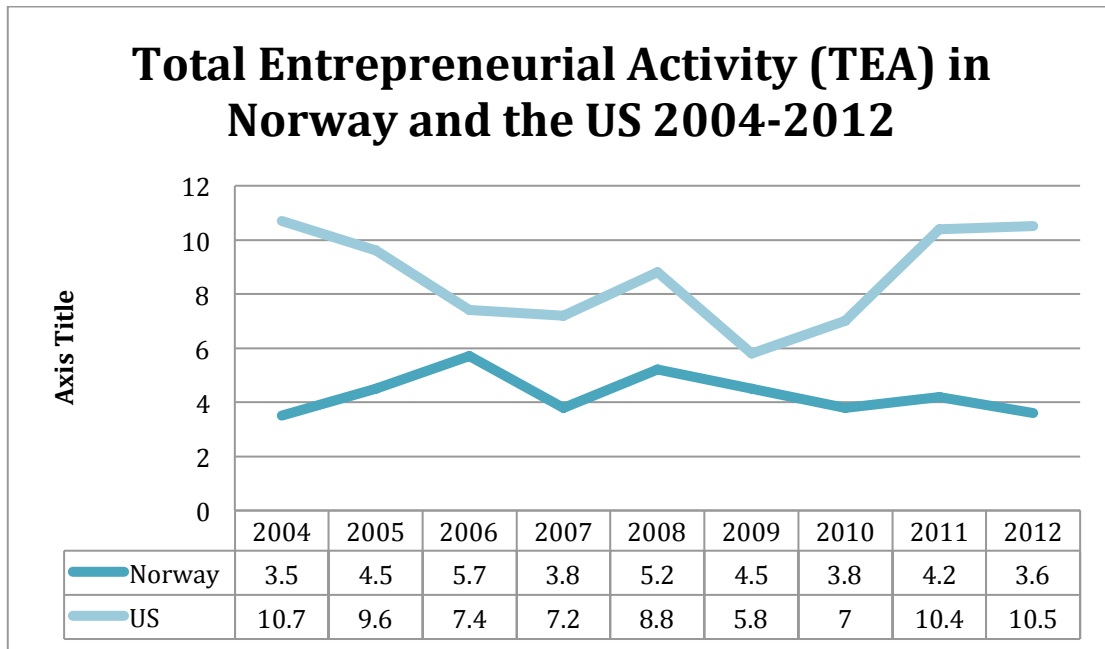


Figure 2 - Total Entrepreneurial Activity in Norway and the US 2004-2012

These results are not only due to entrepreneurial activity, but are also affected by international conjunctions and technology development in various parts of the world. Norwegians are less content with political prioritizing when it comes to entrepreneurship than entrepreneurs in the US. In Norway there are less market hindering than perceived in the US. Norwegian entrepreneurs also believe they have easier access to capital than U.S. entrepreneurs, which should give them an advantage when deciding to pursue entrepreneurial opportunities (Noyes et al., 2010). Even though it does not seem as though there is a strong difference between the entrepreneurial activity in the two countries, the reality is that the U.S. has almost twice as much entrepreneurial activity as Norway the last years. Even though entrepreneurial activity varies with economic development (Lange et al., 2010), there may be several additional explanations as to why there is such a major difference. The Global Entrepreneurship and Development Index (GEDI) looks at the entrepreneurial activity of countries in light of its economic and social conditions. This captures the changes in entrepreneurial activity, with respect to the not only the entrepreneurs themselves, but also their surroundings. In 2011, the U.S. was ranked third of the 10 most entrepreneurial countries, while rising to be the most entrepreneurial nation in 2013. (Ács et al., 2013). For comparison, Norway is currently the 10th most entrepreneurial country, decreasing from 9th place in 2012.

When looking at the entrepreneurial intentions of entrepreneurs from Norway and the U.S., a similar jump in 2011 can be found here as in the TEA. From 2008 to 2010, both countries had comparable level of intentions when it came to wanting to start a business (excluding the ones who are already involved in entrepreneurial activity) in the next 3 years (Global Entrepreneurship Monitor,

2012). In 2011, the intentions of future entrepreneurs in the U.S. increase, similar to the total entrepreneurial activity. This indicates that the total entrepreneurial activity will continue to increase in the U.S., assuming the intentions of the future entrepreneurs in the U.S. follow through. So, there is a higher level of entrepreneurial activity, and more people have intentions of starting a business in the U.S. When it comes to attitudes and perceptions, there are more factors differentiating the two nations. There is a clear positive connection between a country's entrepreneurial attitude and its entrepreneurial activity level (Åmo et al., 2011).

Entrepreneurship is considered to be a desirable career choice, both in Norway and in the U.S. In Norway this number is continuously decreasing, indicating that less people consider it a legitimate career. When looking at the fear of failure, Norway and the U.S. display different results. Having had a similar fear of failure rate the last couple of years, Norway is currently displaying a higher fear of failure than in the U.S. (39% versus 32%). This may be closely linked to the Norwegian entrepreneurs not believing that they have the required capabilities needed to pursue the available entrepreneurial opportunities. Norwegian entrepreneurs have for a long time displayed a lack of perception when it comes to having the right skills and knowledge to start up a business. Only 34% believe they are able to start a business in Norway, compared to 56% in the U.S. This lack of belief may be linked to the low level of motivation that is displayed by Norwegian entrepreneurs. Comparing the motivational level of the two countries, the U.S. has the highest score (4.0), while Norway comes out with the lowest score (3.0). Summing of these results, it is evident that the entrepreneurial motivation and intentions in Norway are lower than in the U.S. Combined with a higher fear of failure rate, these factors may be the reason behind the difference in TEA in the two countries. These major changes have occurred the last years, and may have been affected by the aftermath of the financial crisis. It seems at though the Norwegians are not looking to take chances at the moment due to their current stable economic situation.

One of the major differences and changes that are evident when it comes to entrepreneurs from Norway and the U.S. is their perception of opportunities. The two nations shared perceptions of available opportunities in their market in 2008, but ever since the economic instability that the following years, there have been significant, maybe somewhat unexpected, changes related to the number of opportunities people believe are available in the market. In Norway this number has increased significantly, whereas it in the U.S. decreased slightly in 2009 as a results of the financial turmoil and slowly increasing the following years.

Norwegians believe there are an increasing number of opportunities available in their market, whereas the beliefs in their capabilities to pursue these opportunities have decreased at the same pace. With believing they lack the capabilities, only 1 out of 5 Norwegians pursue their ambitions and opportunities. In the U.S. it is the other way around. They believe they have the required capabilities, but that there is a lack of opportunities to pursue.

As the U.S. is more economic flexible than other nations, entrepreneurs often face higher entry barriers to foreign markets compared to foreign companies entering the U.S. (Noyes et al., 2010). This should be used as an advantage for Norwegian entrepreneurs, when making market entry decisions. In such a small market as Norway, it would be interesting to know whether or not the many perceived opportunities are suited for the international market. Entrepreneurs with high aspirations fare better in countries with a stable economic and political climate and well-developed institutions. In fact they may migrate to other countries to pursue their ideas (Lange et al., 2010).

By using the results from the GEM reports and what is already known about entrepreneurs and international entrepreneurs, additional light will be shed on factors behind Norway's absence as global entrepreneurs in the U.S. People in the U.S. display a higher willingness to become entrepreneurs than other comparable nations (Poole et al., 2004) and are driven by a certain entrepreneurial spirit. Even though there are economic and institutional factors that are comparable and different in the Norwegian entrepreneur scene and the U.S., the major difference between the entrepreneurs are intangible social factors, earlier referred to as human capital. This entrepreneurial spirit is one of these social factors (Poole et al., 2004). The U.S. is placed highest in an international ranking of entrepreneurial spirit (79.9%), while Norway is ranked lowest (26.9%)(Blanchflower et al. 2001). In addition to this entrepreneurial spirit, the nations entrepreneurs differ when it comes to aspirations and attitudes toward entrepreneurship and opportunities. The Scandinavians stand out when it comes to aspirations related to being an entrepreneur. Only 30%, as opposed to more than 70% in the U.S., of Scandinavians say they would prefer to be an entrepreneur, rather than an employee (Poole et al., 2004). Despite having among the worlds best institutional arrangements that should allow for entrepreneurship to thrive, it seems as through the security of a stable employment situation is more attractive than being self-employed. Relating this to the many opportunities that the Norwegians see in their market, their fear of failure and shortage of capabilities suggest that Norwegians lack self-efficacy. Whether or not this related to a lack of entrepreneurial culture and acceptance of the Norwegian society remains unknown.

Entrepreneurial attitudes are important because they express the general feelings of the population toward entrepreneurs and entrepreneurship. Norwegians see opportunities, but more than often decide not to follow through with an actual entrepreneurial venture due to lack of competence and also the possibility of not having the desire to become an entrepreneur. Due to the small market possibilities that are available within Norway, Norwegian entrepreneurs need to increase their international orientation in order to sustain competitive advantage and increase market share. As the size of the home market has an impact on the influence of internationalizing activities, this should have indicated a higher international orientation amongst Norwegian entrepreneurs. Previous research results indicate that performance can be explained better by the national environment than by the strategy of the venture (Shane and Kolvereid, 1991). This suggests that the entrepreneurial environment in Norway does not encourage global entrepreneurs. The individual perceptions of self-efficacy and instrumental readiness are the variables that affect entrepreneurial intention most significantly. The lower level of entrepreneurial intention among Norwegians can therefore be explained by the lack of Norwegian culture regarding social status and economic reward of entrepreneurs compared to regular employees in the Norway (Kristiansen et al., 2004). If the Norwegian culture lack in supporting entrepreneurial behavior, it surely does not encourage internationalization of entrepreneurial activities.

About 200 companies in the U.S. are directly or indirectly owned by Norwegian companies and in 2011 the U.S. was Norway's second largest export market, following the European Union (Norway.com, 2012). These companies are mainly established international ventures with focus on oil, fishing, energy, military and shipping industry, and does not offer any information on the number of global Norwegian entrepreneurs in the U.S.

People from the U.S. are known for being more tolerant towards risk and uncertainty associated with entrepreneurship (Kristiansen et al., 2004). Although the fear of failure amongst Norwegian and U.S. entrepreneurs have been similar after the financial turmoil, a drastic change has "scared" the Norwegians and resulted in decreased entrepreneurial activity and international orientation.

The situational impact of culture on the individual entrepreneur has an impact on the international entrepreneurial activity (Stewart et al., 2003). As Kolvereid (1992) suggests, aspirations are a large part of the culture affect that has an impact on entrepreneurship. The lower level of entrepreneurial intention among Norwegians can therefore be explained by the lack of Norwegian culture regarding social status and economic reward of entrepreneurs compared to regular employees in the Norway. If the Norwegian culture lack in supporting

entrepreneurial behavior, it surely does not encourage internationalization of entrepreneurial activities.

Summed up, the characteristics of Norwegian entrepreneurs, compared to the U.S. are that they:

- Are more risk averse
- Have less entrepreneurial motivation and intentions
- Have a high level perceptions of self-efficacy
- Lack entrepreneurial culture and infrastructure in their home country
- Perceive a large number of opportunities in the market
- Have a higher level of fear than the average entrepreneur
- See entrepreneurship as a less favorable career path than ordinary employment

As mentioned, Kolvereid (1992) implies that culture is a large part of entrepreneurial activity. In order to find out if the Norwegian culture is less supportive than US, the specific characteristics of Norwegian entrepreneurs will be evaluated in two very different cultural contexts, namely Norwegian and the US. To evaluate if any of these characteristics differentiate Norwegian entrepreneurs from the Norwegian entrepreneurs who have decided to start a venture in the US, additional information on the definition of entrepreneurial success is required. By introducing the variable of success or discontinuation, the entrepreneurial context and environment is further investigated with aims to obtain valuable information that separates Norwegian entrepreneurs in Norway to those in the US.

2.4 Definition of success and development of hypotheses

There are several different definitions of entrepreneurial success and how to achieve it. Why some entrepreneurs and their ventures achieve success while others fail to do so, is a central field of research in the study of entrepreneurship (Cooper and Gascon, 1992). Increasing understanding of prerequisites to success can help future entrepreneurs and potentially increase entrepreneurial activity. This is also a reason for why understanding the field of entrepreneurial success is challenging for the research community (Fayolle, 2005). Since the entrepreneurial venture and its entrepreneurs are so interconnected, the success of the organization is implied to apply to the entrepreneur as well (Fayolle, 2005). There is no consensus to specific characteristics or attitudes that affect the performance of a startup, as this can be explained by different theoretical imperatives and differ from each entrepreneurial context. Different entrepreneurs do different activities at different times, and its influence on success is therefore difficult to measure. Prior research argues that the potential success and also disbandment of a business depends on the human capital of the

founders (Delmar and Shane, 2004). What is also important to keep in mind is that success is often evaluated individually and subjectively. This makes it even harder when trying to find common grounds to evaluate success when dealing with entrepreneurs and entrepreneurial activity. Delmar and Shane (2004) list three different elements that through previous research have been argued to have an affect on venture survival; obtaining reliability and legitimizing appearance of the venture, establishing relationships with external stakeholders, and better obtaining control over resources than established ventures. They also present various subprocesses that are related to the founding process in entrepreneurship. These include initiation, resource mobilization, legal establishment, social organization and operational startup (Hannan and Freeman, 1989). In order to refrain from data overflow and ensuring common ground between the interview objects, this paper has chosen to use the actual legal establishment of the venture as a point of reference when referring to a startup.

There are many definitions of a startup and what characterizes a startup compared to an established business. In order to evaluate the potential prerequisites for success, a common definition of an entrepreneurial venture is required. As this research is largely rooted in the GEM research, it was natural to use the definition of an established organization presented here. Therefore, throughout this paper the entrepreneurial venture refers to a business that has been in operation 3.5 years (42 months) up till 5 years. By this time the alternatives are either discontinuation or a successful established organization that is no longer considered a startup.

As prior research findings argue, there is a 42% less chance of the venture discontinuing if a legal entity is established (Delmar and Shane, 2004). In addition to this, the venture has a higher chance of surviving its initial phase if the entrepreneurs undertake legitimizing efforts such as creating ties with external stakeholders, establishing external legitimacy and creating routines to transform resources. Aspelund (2005) also present the importance of initial resources and its positive affect on venture survival. In addition to this, Brush et al. (2012) also present the importance of properties such as intention, resources, boundaries and exchange to ensure initial firm survival. Cooper (1994) also adds that initial financial capital contributes to survival and growth.

This paper will combine and refer to these legitimizing effort and properties as initial sales, fulltime commitment and receiving funding. Based on this information the following hypothesis is presented:

H1: An entrepreneurial venture is more likely to not discontinue, in this case referred to as being a success, if the venture has obtained initial sales, received funding and is working with the startup fulltime.

In addition to financial capital, there are several additional other types of capital needed in order to pursue opportunities and potentially obtain success. These specific types of capital include financial capital (monetary), social capital (relationships) and human capital (natural abilities) (Burt, 2000). Important human capital of successful entrepreneurs is persistence, intentions and motivation.

When investigating successful entrepreneurship the question of persistence is highly relevant. The perception of persistence performance is often related to success (Gompers et al., 2010), and that success breeds success. Even though persistence is often subjectively defined, Holland and Shepherd (2013) persistence occurs when an entrepreneur decided to continue defines it as something that occurs when entrepreneurs choose to continue their entrepreneurial efforts despite counterinfluences or attractive alternatives. They also add that the decision to persist is influenced by personal characteristics and the entrepreneurial environment. DeTienne et al. (2008) defines persistency to be a complex decision process that is a function of both characteristics and environment. Therefore, the situational context of the startup and the individual human capital characteristics of the founding entrepreneur would have an impact on persistence and therefore entrepreneurial success. Previous research regarding entrepreneurial persistence found that being persistent increases the overall motivation and therefore venture growth (Holland and Shepherd, 2013). Reid (2000) also suggests that entrepreneurs being motivated by pecuniary goals have an increased success rate. In addition, motivation influences the decision to persist and have an impact on the entrepreneurial success. Entrepreneurs with high levels of extrinsic motivation are proven to perform better (DeTienne et al., 2008). Erikson (2002), also present the importance of commitment and motivation for increased venture performance. As already presented, the entrepreneurial environment in the US is more encouraging with regards to entrepreneurial activity. It was also evident that Norwegians had less entrepreneurial motivation and intentions compared to countries with higher entrepreneurial activity, such as the US. This gives reason to present the following hypothesis:

H2: Norwegian entrepreneurs display less motivation than entrepreneurs in the US and therefore are less persistent and less successful.

As presented in the previous section, Norwegian entrepreneurs are considered to be more risk averse and have a higher fear of failure compared to entrepreneurs in the US. Risk as a phenomenon is often confused and mixed with the perception of uncertainty. Risk, compared to uncertainty, is a situation where all the outcomes are known and the entrepreneur is able to make a decision based on knowing the probability for each outcome (Runde, 1998). When referring to uncertainty, the outcomes are also known, but the probability for each possible outcomes is not. People that live in societies where there is a strong focus on stability and security, such as Norway, tend to be avoiding uncertainty to a greater extent than people who live in low uncertainty avoidance cultures (Hofstede, 1993). The U.S. is considered to have a greater culture for uncertainty and risk-taking propensity (Stewart et al., 2003), and throughout this comparison the results indicate that it is also considered to have a greater risk-taking propensity than that of Norway

As previously mentioned, it is evident that the entrepreneurial motivation and intentions in Norway are lower than in the U.S. Combined with a higher fear of failure rate, these factors may be the reason behind the difference in TEA in the two countries. Entrepreneurs, by definition, are people with a high propensity to take risk (Murmman, 2012) and are often perceived as having persisted though resistance from the environment. Previous research argue that what differentiates successful entrepreneurs from the ones who are not, are their decision-making styles. (Murmman, 2012). Their decision-making skills are able to reduce risk and thereby achieve success. Based on the available information about risk and fear of failure amongst Norwegian entrepreneurs, the third hypothesis addresses following:

H3: Norwegian entrepreneurs in Norway are less successful compared to entrepreneurs in the US due to low risk tolerance.

These three hypotheses all include aspects of Norwegian entrepreneurship related to activity and characteristics combined with the desirable outcome of success. By building the context of Norwegian entrepreneurship on findings made by the GEM research and comparing them to a successful entrepreneurial context, in this case the US, it is possible to identify findings that can potentially increase future success rate of Norwegian entrepreneurship and thereby have an impact on the overall entrepreneurial activity and culture.

3 Methodology and data

The difference between a successful person
and others is not a lack of strength,
not a lack of knowledge,
but rather a lack of will.

Vince Lombardi

Research on Norwegian entrepreneurial activity is a fairly new field and therefore limited in publications. According to a research completed by Damvad (2010), Norway, compared to Denmark, Sweden, Finland, England and the Netherlands, ranks lowest when it comes to number of publications overall (total of 73), and display smallest growth over time when it comes to scientific publications within the field of entrepreneurship. As a result of this, there is limited information available on Norwegian entrepreneurship, the characteristics of the Norwegians entrepreneurs and insight into the entrepreneurial accomplishments achieved by Norwegian entrepreneurs in Norway and elsewhere. Most of previous research on Norwegian entrepreneurial activity has used analytical deductive methods when trying to assess Norwegian entrepreneurial characteristics. These studies are most often based on statistics gained from a large quantitative research including additional nations (Kolvereid, 1992; Manolova, 2012). Although previous research have included to comparison of entrepreneurship in Norway to the US, no previous published research have used qualitative data to explore the effects of different entrepreneurial contextual factors present in Norway compared to the US and their effect on entrepreneurial persistence and success.

This paper aims to add value to the knowledge base of Norwegian entrepreneurs and gain insight into their entrepreneurial situation in order to propose areas for potential improvement. The objective of this study is to test a variety of hypotheses by using a qualitative, exploratory research design (Wacker, 1998). Initial literature review and information obtained from the Global Entrepreneurship Monitor (GEM) research offer insight into the relationship between the two entrepreneurial contexts being studied as well as their entrepreneurs. This type of research design opens up for cross-sectional exploratory research based on information gained from interviewing Norwegian entrepreneurs in both Norway and the US and aims to explain certain phenomenon identified through triangulating the various data collected with relevant literature. Analytical implications are deducted from the GEM research and previous theoretical findings. This allows for hypotheses creation and theory building. The information obtained from the case studies is then inductively applied to the findings made from the initial deductive research and the hypotheses are either verified or falsified. Induction and deduction work together throughout the analysis of a case study research as it is necessary to be familiar with the theoretical subject in questions (Widding, 2005).

In order to complete a comparative study of Norwegian entrepreneurs in Norway to Norwegian entrepreneurs in the US, data gathered from case study interviews in addition to findings made by the GEM study were used to obtain information on these two specific groups of entrepreneurs. In addition to looking

at these two groups of entrepreneurs, their boundaries were further limited to either success or discontinuance of established venture.

3.1 Literature review

As mentioned, the literature on Norwegian entrepreneurship is fairly limited, and additional information is required in order to get an overview of potential indicators for building up a comparison Norwegian entrepreneurs in Norway to Norwegian entrepreneurs in Norway. Although the available research on Norwegian entrepreneurship is limited, the available published literature has high standards (Damvad, 2010). The purpose of the literature review is to define entrepreneurial characteristics and attitudes amongst Norwegian entrepreneurs and gain insight into the Norwegian entrepreneurial environment. It is also the intention to review available literature in order to identify previous research result that can add value to findings made throughout this research and vice versa.

The initial round of literature review aimed to identify central themes within the domain of interest. This is a crucial step towards hypotheses building as good theory is advances knowledge within a scientific discipline, guides research towards crucial questions, and enlightens the profession of management (Van de Ven, 1989). Reviewing the 73 published articles with relations to Norwegian entrepreneurship, 2 of the categories were of interest when linking literature using the added value phenomenon. These two categories were on entrepreneurial intentions, decisions and ambitions, and new venture formation and performance. In total this added up to 23 articles, from which 5 came to be useful in relation to the GEM research and forming hypotheses. These 5 articles were identified by reading the abstract of the 23 articles and selecting those articles with relation to venture performance, persistence, success and human capital.

By using snowball sampling (Goodman, 1961), additional theoretical subjects was identified and applied throughout the study. This implied using the references of the articles found to be most relevant for the purpose of identifying and defining entrepreneurial characteristics within two different countries, which in this case came from the previous step in the literature review. This soon showed to lead to similar subject and theory, often written by the authors from the same university or in related to one another in some other ways.

In addition to using references of relevant articles, a general search was carried out using bibliographic databases. Most of these articles were accessed through Google Scholar. Although GS have been criticized for not exposing the databases included in the search and the frequency of updates made (Jacsó 2008), the

search tool offers easy access and an overall overview of literature available. In order to supplement the search, additional databases were used. These included JSTOR, Science Direct and the Wiley Online Library. Search words included “international entrepreneur”, “global Norwegian entrepreneur”, “Norwegian entrepreneurs in the U.S.”, “entrepreneur characteristics”, and “entrepreneurial aspirations and attitudes”, “entrepreneurial success”. Throughout the initial search for literature, the articles were ranked of relevance in three ways; by the degree of relevance based on the title of the article and its abstract; the names of the authors recognized or that was recommended by supervisors were prioritized over the ones that were unheard of; and by the amount of citations that the article or book had. Articles with more than 30 citations were favored over ones who only had a couple. It was soon evident that many of the authors of relevant articles were somehow connected to NTNU, Babson or GEM.

The majority of the literature findings were within entrepreneurial research and included information on entrepreneurial characteristics, attitudes and success. Some of the articles offered elements of behavioral research, as this is an important factor when trying to understand individual and environmental contexts.

Articles that offered comparison of one of the countries to a completely random one were also considered relevant. Information about Norway was most often found in articles comparing European or Scandinavian countries, while the U.S. was compared to other countries like Russia and Brazil.

After the initial screening was completed, the information identified was coupled with the findings from the GEM research in order to build a theory basis and develop hypotheses for empirical testing.

3.2 Research design

As previously mentioned, the objectives of this research are to obtain a better understanding of and how to increase level of entrepreneurship and success rate and add value to research field. As a result of an initial literature study the author composed a broad research question to be further investigated by using a qualitative research design. In parallel with searching and identifying relevant literature for the research, findings from the GEM research were applied in order to analyze the current and trending entrepreneurial development within Norway and the US. This data was analyzed interchangeably with the literature in order to obtain an overview of the overall trending themes relating to entrepreneurial success. The initial objectives have been transformed into hypotheses related to the relevant theory within the field and the area of research in question.

A relationship between success and entrepreneurial characteristics was established in order to evaluate possible variation between Norwegian entrepreneurs in two different entrepreneurial environments, Norway and the US.

A qualitative research approach offers the author the ability to describe and explain correlations between two groups or outcomes, which is exactly what this research aims to do. As suggested by Eisenhardt (1989), a research strategy that concentrates on perceiving dynamics present in a specific setting is best carried out using a case study research design.

A case study investigates a contemporary phenomenon within its real-life context. This type of research design is an advantage when the boundaries between the phenomenon and the context are not clearly defined, as in this case. The use of such empirical research design is purposeful when building theory where the case study offers valuable information by looking into a small sample to test and develop complex relationships with the proposed variables (Wacker, 1998). Case study research is most often applied to research design of inductive, exploratory fashion and is good for answering questions such as how and why (Yin, 2009). In this case, these questions refer to how success is achieved and why there might be a difference between Norwegian entrepreneurs within the two selected contexts. As research within the field of entrepreneurial persistence and success related to Norwegian entrepreneurs is fairly uncharted, it was logical to choose an exploratory research approach. Based on Yin's (2009) approach to research design, the choice of method is to be determined by the purpose of the research as well as the type of research.

This type of theory building research does not offer a framework for findings, but presents theory that either conflicts or agrees with it (Yin, 2009). This is desirable when aiming to answer proposed hypotheses developed on the basis of the initial literature review and secondary data obtained from the GEM research. A case study provides in-depth observation of the phenomenon in question and this research relies on multiple sources of evidence, where the data from the initial literature review and the secondary data converges in a triangulating manner (Yin, 2009). Using existing theory to connect emergent theory is able to strengthen the validity of the empirical findings (Eisenhardt, 1989). Having identified certain variables and themes related to entrepreneurial success and Norwegian entrepreneurs, the hypotheses were formed and an interview guide was developed in order to increase quality empirical data (Appendix 1) (Widding, 2006). A 2x2 holistic case study matrix was designed in order to gain insight into both successful and discontinued Norwegian entrepreneurial activity carried out by Norwegian entrepreneurs in Norway and in the US. A single interview guide was developed for all 4 categories of interview

object, resulting in variation in answers relating to current status of the business. Three entrepreneurs were interviewed within each category in order to obtain a desirable amount of information. Each entrepreneur within its category represented one out of 3 possible industry groupings; Internet and Computers, Communications and Electronics and Consumer. This selection was based on a categorization made by Gompers et al. (2009) and the industries with most traction.

Primary data was collected based on the initial problem definition and hypotheses. The total of 12 interviews were conducted via telephone and were all conducted in Norwegian. The audio of all the interviews was recorded and the information given was transcribed in order to ensure quality and validity. The total of 75 pages of transcribed data was then systematically analyzed in order to bring scientific significance to the results (Widding, 2006). All the data from the transcribed interviews were translated into English and tabulated in order to lay foundation for a systematic processing of the data. The two first parts of the interview answers questions offered descriptive statistics related to either the individual or the business. The last part of the interview was designed to be more open-ended and offered more variation to the individual answers given. The answers were listed side by side according to the categorization of success, discontinuance and whether the entrepreneur was established in Norway or in the US. This resulted in 4 possible combinations; Successful in Norway (SNO), successful in the US (SUS), discontinuance in Norway (DNO) and discontinuance in the US (DUS). Information obtained from each question was compared with relation to current status of the venture and country of venture creation. Similarities and dissimilarities across the matrix were identified and categorized within any of the 4 combinations listed.

In order to increase level of abstraction, the findings from each category were summarized to either have importance related to the outcome of the venture or the country where it was established. Following the analytical process of data material suggested by Widding (2006), the open decoding of the information was then followed by a framework search and finally a search for similarities and dissimilarities. The findings are summarized according to its relevance for this research and listed in Appendix 2. This process was fairly easy for the descriptive statistical questions, but rather intrinsic for the open-ended questions. The data was analyzed and iterated several times in order to identify relevant contributions to presented theory. This part of the analysis was divided into 3 sections related to the 3 initially stated hypotheses. The first hypothesis is also related to the answers found in the descriptive statistics sections. These analytical steps follow the basic principles of scientific research, which is to ensure objectivity, inter-subjectivity and verification of statements. Creating a

chain of evidence as such, insures reliability and validity of information and results.

When analyzing the data from the case studies, there was a focus on logical sequence, linking empirical data to initial research question. The data from the empirical research was then combined with information obtained from secondary sources such through the initial literature review and the comparative analysis of the GEM research. The hypotheses were then revisited and verified or falsified by using information obtained from both primary and secondary sources.

3.3 Samples

Two sets of data were used throughout this research, one primary and one secondary. The primary data were retrieved from empirical case studies including a sample of 12 Norwegian entrepreneurs. The process of gathering the sample of entrepreneurs to interview proved to be rather time consumer due to the process of identifying and locating discontinued businesses and their entrepreneurs. The author used personal network and the extension of it in order to identify and contact potential candidates to take part in the case study. Initial classification of success and discontinuation were identified and the criteria of being Norwegian and having started a legal entity in either Norway or the US were presented. As mentioned earlier, the definition of a successful startup used throughout this research is a business that has been in operation between 3.5 to 5 years. The time of initiation is referred to when the actual business entity was legally established. The definition of discontinued ventures went under the same requirements, although it was an additional requirement that the business was not still in operation and that the business had been disengaged. Starting out with these control variables, over 70 emails were sent out in order to identify potential interview objects using initial screening questions such as “Have you started a business in either Norway or the US?”, “If you started a venture, when did you legally establish the entity?”, “Is your venture still in operation, and if not, when was it discontinued?”. These questions were able to identify the eligibility of the entrepreneur in relation to this specific case study. The contact information for these entrepreneurs came from, as mentioned, the author’s personal network, in addition to the extension of it. Helen Gjester from Innovation Norway was helpful by suggesting potential candidates. LinkedIn was used to search by using the search words “Norwegian” and “entrepreneur”. Most of the selected entrepreneurs originated from the author’s vast network. The entrepreneurs were forwarded an introduction to the case study in addition to the list of questions about personal classification and business demographics. The interview lasted from 38 minutes to 114 minutes.

In addition to obtaining primary data resources being case study interviews completed by 12 entrepreneurs, it was of interest to gain insight into the research field by exploring secondary data sources. These included data retrieved from the GEM research, which added information on the entrepreneurial situation in Norway compared to the one in the US, in addition to adding information on Norwegian entrepreneurial characteristics and attitudes. Although there are several global and annual reports available on entrepreneurship and the entrepreneur, the Global Entrepreneurship Monitor was selected on the basis of its global and nations reach, as well as including research on the entrepreneur as an individual more than an entity. By focusing on relating the characteristics of Norwegian entrepreneurs to attribution theory, it is possible to offer a scientific account of the way these entrepreneurs behave by explaining the reason behind their actions. When assessing and benchmarking a country's entrepreneurial culture it is difficult to rely on surveys, such as the GEM reports, as they are by definition more subjective. More international comparability may be lacking due to this.

3.4 Variables and measures

Several variables were defined, based on current available literature and GEM research, in order to assure validity and reliability of the information obtained through using qualitative research design. The dependent variables were in this study defined as either relating to a successful or discontinued venture and if the country of establishment were Norway or the US. The independent variables were identified and selected on the basis of their relation to persistence and thereby increased potential success of the entrepreneurial ventures. These variables were then grouped into 3 groups representing; financial and government support; motivations, intentions and persistence; and entrepreneurial risk. These variables were selected based on an initial comparable review made of the entrepreneurial environment in Norway and the US, combined with relevant literature to support certain findings that clearly separated Norwegian entrepreneurs from those in the US. It was the belief that these variables could have an impact on the overall persistence of entrepreneurs and the identification of them could therefore potentially increase success rate and the overall entrepreneurial activity in Norway. It was also believed that if the entrepreneurs displayed a non-existence of these variables and characteristics, specific suggestions for improvement could have a positive effect on the future entrepreneurial activity in Norway. Consistent with previous studies in entrepreneurial persistence (Holland, 2013) data is gathered on control variables related to the business and the individual characteristics of the entrepreneur. These questions (Appendix 1) were answered in writing and returned by email prior to the actual telephone interview.

1 Results and analysis

Action is the foundational key to all success.

Pablo Picasso

1.1 Empirical findings

Descriptive statistics

The main themes that seem to stand out related to the business demographic questions are the fact that so many of the successful companies were established in 2009, the year when the financial crisis was most evident in Norway and the rest of the world. It is also interesting to see that the majority of the successful companies had sales within their first year of operation. This may be connected to attributes and attitudes found with the entrepreneur and also in their startup.

Even though the entrepreneurial situation, policies, environment and activity differentiates the two countries, there seem to be little to no difference between the Norwegian entrepreneurs who decide to establish their startup in the US compared to in Norway, when evaluating the data from the business demographics section. The majority from both categories has family members who are entrepreneurs. There is no information from this section that suggests that there are any specific differences separating the two groups of entrepreneurs.

The main themes identified from the information retrieved from the individual classification questions are mainly that abroad experience might have an influence on the entrepreneurial intentions and motivation of potential Norwegian entrepreneurs. Deciding to start up abroad might also be related to previous entrepreneurial experience, as the majority of the Norwegian entrepreneurs who decided to start a venture in the US have previous startup experience. It is interesting to notice that even though all the Norwegian entrepreneurs who started in the US have previous startup experience; the majority of these entrepreneurs do not have business class experience. And none of the discontinued startups were worked on fulltime, which suggests that entrepreneurship is considered to be more of a hobby than a conscious career choice. All the Norwegian entrepreneurs have an average of more than 5 years of education, the ones in the US had up to 7 years, and all the entrepreneurs used their educational and/or professional background as basis for starting their business.

Financial and governmental support

According to the entrepreneurs in Norway, there are several bridge organizations, most often funded by the government, who are in a position to financially support entrepreneurs and their ideas in Norway. Innovation Norway and Leiv Eriksson Nyskaping were two of the bridge organizations most often mentioned when talking about financial support. There is a lot of paper work and administrative cost that goes into applying for such grants in Norway, and they often take away critical time of the initial stage of a startup. The majority of the

entrepreneurs mention Innovation Norway and Leiv Eriksson Nyskaping when asked about initial investor approach and success. Since most of the entrepreneurs and their startups financial support from such governmental institutions, writing applications becomes a vital part of the Norwegian startup activities, when in the US the entrepreneurs are left to prove themselves until they can attract potential investors. In addition to the bridge organizations, all the entrepreneurs, both in Norway and the US, invested their own money in their startups.

Intentions, motivations and persistence

A majority of the entrepreneurs who were interviewed comment on how there is a lack of an entrepreneurial environment and ecosystem in Norway. The Norwegians lack the entrepreneurial mindset that is more predominant on the US. Instead of educating additional employees, which there are plenty of in Norway, there is a demand for educating future entrepreneurs. People are not aware that entrepreneurship is a potential career opportunity, as it is not a common choice amongst the newly educated people in Norway. When the alternatives in Norway are fulltime jobs, the alternative to starting a business in the US is to start a different one. In order for Norwegians to choose to become entrepreneur compared to other alternatives, additional supporting regulations, encouragement and facilitation by the government is required. Both the Norwegian entrepreneurs in Norway and the ones in the US have a different meaning of what success entails. Most of the entrepreneurs behind the discontinued ventures claim that their businesses are not successful. This is mostly due to them currently not being in operation. Some of them then mention that their technology on the other hand, was successful. Some also mentioned that they considered the business and its progress to be part of a personal success. One entrepreneur from a discontinued startup said that they considered the business to be successful since they had saved lives with their product.

“I consider the business to be successful in many ways. I have gained a large amount of experience and knowledge within the industry, which have lead to the product being available in stores. I would not say that the business is successful when it comes to profits just yet”.

The entrepreneurs behind the successful startup have all very different opinions of what a successful business entails. One entrepreneur relates success to sales and profit. Another adds, in addition to profit being a part of the success criteria, that having gained new knowledge is success it itself. Two of the entrepreneurs claim that their business is successful since the technology they developed is working. Another two of the entrepreneurs bluntly claim that their businesses are successful. The remaining two entrepreneurs have a very different perspective of how and when success is achieved. One of them says that they do

not consider something that is half done to be successful. And since the business had not reached its final goal, success if not yet reached. If success is reached they would not still be working with the startup.

“It would be wrong to say it hasn’t gone well up until now. It had probably gone as well as it could have. I wouldn’t say it is a success, as I relate success to having reached all the company milestones and experiences some type of closure”.

Half of all the entrepreneurs who started the discontinued ventures say that they were approached by a person who was interested in their idea or concept. It seems as if these people did not start out with entrepreneurial intentions and motivation, but were rather drawn in to the startup environment with mostly financial objectives. They did not have the business development skills required to succeed and failed to do so. Another main reasons for these entrepreneurs to engage in entrepreneurial activity was either due to lack of other employment options. Their field of study was either liked to a business affected by the financial turmoil, or a field of study so special that the jobs requiring their skillset were limited.

“One of the reasons I started writing a business plan was because I was experiencing a tough time finding a job. I was typically second in line to get hired, but it never worked out. So instead of doing nothing and going on welfare, I decided to use the knowledge I had learned at the university and create a job for myself. At the time I was not completely sure what the idea was, but I was sure I was going to work with my passion”.

Half of the successful entrepreneurs had alternative options to starting their business. These options were either alternative opportunities or regular employment options. Most of the entrepreneurs who started business that were discontinued did not have alternate options in mind. In addition to stumbling into entrepreneurship and being forced into it by lack of other options, a couple of entrepreneurs also wanted to become entrepreneurs in order to make use of their knowledge, skills and experience

Closely related to success is the ability and skill to persist. All, except one of the entrepreneurs, both from the successful and discontinued ventures insisted that they were persistent. It is perceived that cognitive persistence is the most important skill as an entrepreneur. The reason behind their statements were that they never gives up, that they tried their best and that they are able to meet resistance. The fact that the entrepreneurs behind the discontinued companies based their persistency on not giving up and being able to meet resistance might appear to be contradictive statements. One entrepreneur has value to add to that perception:

“If you are not persistent, you will not survive as an entrepreneur. If you are not persistent you will try to start a business once, fail and not try it ever again. Then you are not meant to be an entrepreneur. Sometimes it doesn’t work out and you have to know when to make changes to your plan and direction and try again elsewhere. You do not need to be successful to be persistent”.

Entrepreneurial risk

Many of the entrepreneurs mention that there is a completely different acceptance to failure in entrepreneurship when comparing Norway to the US. As an entrepreneur in Norway you are expected to make it, and the only option to success is failing. And as mentioned, most entrepreneurs in Norway that fail will not try to start another business again. Entrepreneur, in Norway, is a status with certain prerequisites. It is a common understanding that being an entrepreneur in Norway requires you to have reached certain goals and milestones. Entrepreneurship is not introduced as a possible career choice early enough for people to aspire to become entrepreneurs. It is the impression that many Norwegian entrepreneurs fall into the situation of being an entrepreneur by coincidence. This statement can be verified by the large number of entrepreneurs who said that they started a business due to encouragement from an external person, rather than having initial desires to become entrepreneurs. A comment was made about Norwegians having to accept failure as a possibility, but not the only alternative to success.

A majority of all the entrepreneurs were very clear on having a high tolerance for risk. When asked about their worries related to the business, there were not many. Most of them said that the worried, if any, were related to challenges experienced with the financials of the company and also with the personal economy. A majority expressed that most of the worries related to the startup became apparent when the business was already started. These worries were also related to financials, such as developing a revenue model, short-term cash flow and insecurities. These worries also included customer traction and potential failure. A few mentioned that it became a worry to figure out how to remain in the US due to VISA restrictions, and some had worries related to the technology development. These worries were most often mentioned by the successful entrepreneurs. Even though most entrepreneurs mentioned having worries, they all mentioned that they actually weren’t very worried. This can relate to the grand safety net that can be found within the Norwegian welfare and economic system.

“None of us were really worried when we started the companies. We all had jobs we could return to. I think what separated the ones who worry from the ones who don’t, are having option available if success is not achieved”.

When talking about risk, all the entrepreneurs were very insistent that there were little to no risk involved with starting a business in a country such as Norway. One even went as far as to say that if you believed that starting a business in Norway involved high level of risk, then you should not become an entrepreneur in the first place. It was as though many of the entrepreneurs believe that having some perception of risk was not acceptable as an entrepreneur in Norway due to the incredible safety net and financial support options. On the other hand, after having claimed that there was very little risk involved with starting a business in Norway, they went on to say that they were very risk willing and had a high-risk profile. They then went on to say that they all took on financial risk. Going back to the safety net and welfare situation of the Norwegian economy, most of the Norwegian entrepreneurs do not recognize the financial risk as a dominant or relevant risk, although they all mention that if any, this was the highest risk they took when starting the business. They recognize that the money in itself is a risk, where the risk is loosing that money. The risk is then diminished due to the options available when that investment turns into an actual risk.

“Moving to the US was not related to risk in my situation. This was something we wanted to do. But what I did considered to be a risk, was the money I had to put into the company up front. Money I in reality didn’t have”.

A majority of the entrepreneurs, both in the US and Norway, claimed that they were persons with high-risk tolerance, and used this as an advantage when deciding to start a business. They say they are risk willing, but also that there are no real risks to take in Norway. And then again they say they handle risk well since they choose entrepreneurship over a regular job. It seems as though Norwegians have a mixed understanding of the concept of risk and how this is overcome.

“Starting a business in Norway is a lot of work, but I would not consider it to be risky. You are not held personally accountable of the business fails, and the government helps you out. People who say it is risky to start up a business in Norway don’t know what they are talking about.”

1.2 Results from hypothesis testing

By using the data extracted from the qualitative case studies and combining it with theoretical implications from previous research on the subject, the hypotheses are tested and their validation either supported or discarded. As previously presented, the hypotheses are as follows: **H1**: An entrepreneurial venture is more likely to not discontinue, in this case referred to as being successful if the venture has obtained initial sales, received funding and is working with the startup fulltime, **H2**; Norwegian entrepreneurs display less motivation than Norwegian entrepreneurs in the US and therefore are less persistent and less successful and **H3**; Norwegian entrepreneurs in Norway are less successful compared to entrepreneurs in the US due to low risk tolerance.

When combining the findings from the descriptive statistics offered by the case study, information regarding initial funding and sales are obtained. The entrepreneurs also answered questions regarding fulltime engagement with the venture. All of the entrepreneurs interviewed who were classified as successful, had experienced product launch and initial sales. This result is common for both the startups in Norway and the ones in the US. When asked about financing and investors, a majority of all the entrepreneurs had received some sort of governmental grant or investment. It also becomes clear that none of the entrepreneurs who worked with the discontinued ventures did so fulltime. All of these findings give support for hypothesis H1.

As success is often evaluated individually, its definition may vary from entrepreneurs to entrepreneur. As previously stated, persistency is a human capital that is important to have when approaching entrepreneurial opportunities. The perception of persistence is often related to entrepreneurial success and can increase the overall entrepreneurial activity in a country. When asked if persistent, all the entrepreneurs except one, claimed that they are persistent, regardless of the current status of their startup were successful or discontinued. In addition to persistence, motivation and intentions play an important role when deciding to start a venture and is also closely related to the decision to persist. When asked about their entrepreneurial motivation and intentions, half of the entrepreneurs in Norway said they had alternative options to the chosen entrepreneurial activity and approached opportunity. Since this is only half of the entrepreneurs, this does not imply that Norwegian entrepreneurs in Norway are more motivated than the ones in the US. In addition, there was no real consensus on what success entailed, and therefore the answers varied even though they were initially defined as a successful startup. All this information concludes that Norwegian entrepreneurs in Norway are not any less motivated than the ones in the US, they are not less persistent and therefore not less successful. Hypothesis H2 is therefore not supported.

When asked about their risk tolerance, both the entrepreneurs in Norway and the ones in the US insisted that they are able to tolerate high levels of risk. They claim that there are few worries when starting a business in Norway due to the well-designed welfare system and the structure of non-labile business entities. If anything, successful entrepreneurs identified more risks to starting a business compared to those entrepreneurs who started a business that was discontinued. It seems at though there is no connection between the country of establishment and risk tolerance, as all the entrepreneurs, both successful and not, display a high level of risk tolerance. This concluded that hypothesis H3 is not supported by empirical data obtained throughout this research.

The final results of the hypotheses testing will be further discussed in the following section, where possible implications of the results are also offered.

2 Discussion and limitations

If you have no critics,
you'll likely have no success.

Malcolm X

2.1 Discussion

Although previous entrepreneurial research suggests the entrepreneurial activity being affected by the environment, this research does not confirm that. The variables researched seem to have an impact on success and discontinuance of a startup, but not on the specific country of where it was established. This information is not able to explain why there is a higher level of entrepreneurial activity in the US compared to Norway other than that there is a more supporting culture for entrepreneurs, making it more desirable to become one. As previously stated, the situational impact of culture on the individual entrepreneur has an impact on the international entrepreneurial activity (Stewart et al., 2003). As Kolvereid (1992) suggests, aspirations are a large part of the culture affect that has an impact on entrepreneurship. It seems as though the individual who actually decide to become entrepreneurs in Norway are quite comparable to those who decide to become entrepreneur in the US. This may be rooted is the fact that Norwegian entrepreneurs do not really exemplify what is considered as typical Norwegian and therefore they are just as capable to achieve success as entrepreneurs in a country with high entrepreneurial activity, such as the US.

As noted in the previous section, only one of the hypotheses was given support in its statement. Since the data selection that this information was based on is fairly limited, additional research should be initiated in order to scientifically verify this statement. There were no specific results that can offer a specific distinction between characteristics of Norwegian entrepreneurs in Norway compared to the ones in the US that could be enhanced in order to increase entrepreneurial success in Norway and potentially entrepreneurial activity. It seems as though the entrepreneurial activity and outcome is less determined by the environment, and more by the entrepreneurial characteristics of the entrepreneurs themselves.

The fact that there was little distinction between the Norwegian entrepreneurs in Norway and the ones in the US, might indicate that the few Norwegian entrepreneurs who decide to pursue opportunities, are doing it right. There seems to be a larger distinction between the successful and discontinued startups, not directly related to the environment of which they were established. This again just validates what the entrepreneurs expressed about the Norwegian entrepreneurial community and governmental support. In order to be able to increase the total entrepreneurship activity, there is not need to change any of the current attributes and characteristics found in existing entrepreneur, although there is a need for more entrepreneurs in general. This can be achieved by focusing on improving the entrepreneurial environment in Norway and encouraging potential entrepreneurs to pursue opportunities.

2.2 Limitations

As with all research this study also has its limitations. Specific to this research are limitations related to scope, method and analysis. These limitations were attempted reduced by constructing a reliable research design and by gathering sufficient and relevant data. In order to increase understanding and reliability of this research, some limitations that were not tended to need to be addressed.

In order to reduce the possibility of data overflow, only data related to the specific research questions and hypotheses were addressed. This means that there is a whole lot of additional data available from the case study that has not been addressed. Additional research within this field and the characteristics of Norwegian entrepreneurs is therefore desirable. Another limitation to the research and its findings are the limited data available on the subject of entrepreneurial persistency and performance in this particular context. Additional limitations can also be identified by the selection of, and available, literature. The literature search was done using NTNU licenses, sometimes offering limited access to material. Additional verification is therefore desirable and encouraged.

Although the selection of research design was in line with the research objectives, there are some limitations to performing and analyzing case study interviews. The result can potentially be biased to weak questions and the response given by the entrepreneurs might also be bias, especially when they have some type of relations to the interviewer. In addition to this, the data incorporates the author's own perspective and the author might be analytically biased and could therefore reduce the reliability and validity of the research results. Individual perspective, subjective

There are several additional aspects of the characteristics of an entrepreneur that could have been addressed, but for the purpose of this research, some limitations had to constrain the theoretical investigation of the subject. The variables used throughout the research are limited due to scope and time frame of the research and intended to reduce respondent fatigue and information overload. It is also important to bear in mind that the sample of entrepreneurs was limited to the network of the author which could have had an impact on the results. The external validity is limited to this context that is presented here.

3 Conclusions

It is hard to fail,
but it is worse never to have tried to succeed.

Theodore Roosevelt

3.1 Conclusion

This study looks at persistence and other variables and their relations to success in a context of Norwegian entrepreneurs in Norway compared to the ones in the US. The objective of this paper was to empirically test certain selected hypothesis about entrepreneurial success and Norwegian entrepreneurship. Using data from the GEM model and data received through a case study, the triangulated information tested the hypotheses based on initial stated variables. In doing so the study offers insight into the Norwegian entrepreneurship mindset and characteristics. The findings suggest that Norwegian entrepreneurs in Norway have the same abilities to succeed as the entrepreneurs in the US. In order to be able to increase the total entrepreneurship activity, there is not need to change any of the current attributes and characteristics found in existing entrepreneur, although there is a need for more entrepreneurs in general. This can be achieved by focusing on improving the entrepreneurial environment in Norway and encouraging potential entrepreneurs to pursue opportunities. This is valuable information for policy makers in Norway and their approach to increasing entrepreneurial activity to ensure future economic growth. In the words of a Norwegian entrepreneur:

“In order for the economy in Norway to grow and survive we need to change our perceptions and attitudes towards entrepreneurship. We need to educate young potential entrepreneurs and give them the option to become entrepreneurs alongside doctors, lawyers and teachers”.

1.1 Further research

Additional research within this area might add value and inform policy makers in Norway of areas of improvement in order to increase the total entrepreneurial activity and encourage entrepreneurial activity. The Norwegian government needs to develop an entrepreneurial environment and ecosystem to support entrepreneurial growth and activity in order to obtain economical growth. Additional research within the field of entrepreneurial motivation and aspirations in Norway might uncover additional reasons for not wanting to pursue entrepreneurial opportunities and rather be a fulltime employer. By gaining insight into the decision making process and reason comparing non-entrepreneurs to current entrepreneurs in Norway, this might lead to valuable information for potential policy improvement.

These results create significant opportunities for future cognitive research exploring the Norwegian entrepreneur in order to learn where to improve in order to increase activity in Norwegian entrepreneurial environment. Additional research could increase the external validity by targeting samples of entrepreneurs in other industries, of other networks and locations.

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Only those who dare to fail greatly,
can ever achieve greatly.

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3 Appendices

Develop success from failures.
Discouragement and failure
are two of the surest stepping stones to success.

Dale Carnegie

Appendix 1 – Interview guide

Information about interview regarding entrepreneurial persistency and success amongst Norwegian entrepreneurs in Norway and the US

Introduction

My name is Anita Mongia and I am a student at the Norwegian University of Science and Technology. I am doing research for my master thesis on persistence and success among Norwegian entrepreneurs. The research will compare Norwegian entrepreneurs residing in the US to those residing in Norway. The results of the research will offer valuable information to the entrepreneurial environment in Norway. The results will be beneficial to the entrepreneurs by offering a better understanding of a contextual environment.

As a part of the research, I will carry out telephone interviews of Norwegian entrepreneurs who volunteered to participate in the research. No single person will be identified and all information obtained from the interviews will remain confidential, as it will only be used in this master thesis.

- The interview will last about an hour
- The interview will be conducted over phone or Skype and recorded for quality assurance
- The interview will be conducted in Norwegian, while the results will be presented in English only
- The questions on business demographics and individual classifications were answered in writing
- By participating in this interview, you agree for the information obtained during the interview to be used in the abovementioned master thesis
- A summary of the results from the research will be offered to each participant upon request
- The conversation will cover 3 areas:
 - General business demographics
 - Some individual classifications
 - Questions on persistence and success

Please answer these following questions regarding business demographics:

Date founded (ended):

What industry is the business in?

Number of current employees (if not still in business, largest number of employees):

Does anyone on your family own a business?

Do you have a patent(s)?

What were your sales and profit during the initial year?

When did you hire your first employee?

Are you targeting an international market?

Please answer these following questions regarding individual classification:

Age:

Gender:

Number of years of education:

Major in school:

Do you have business class experience?

Number of years lived abroad:

Number of years studying in the US:

Number of startups previously engaged in:

Are you working with the startup fulltime (did you work with it fulltime when in business?)

Questions about entrepreneurial characteristics and attitudes related to persistency:

What were you doing before you started this business?

Why did you start the business?

At the time, did you consider any other options?

What was your primary personal goal when starting the business? Why?

For how long did you think about, plan or research the opportunity?

What worried you the most about starting the business?

Why?

Is this still a concern?

What was the biggest risk you took when starting the business?

What key skills and competences did you have that were/are an asset in your business?

Why did you think these were appropriate for the opportunity?

Do you consider yourself to be persistent in your entrepreneurial efforts?

Why or why not?

Did you receive external personal or business advice or guidance?

If so, from whom?

Did you receive social support?

Did you personally invest money in the business?

Yes?

No? Where and how did you receive funding?

Have you sought outside funding?

Yes? No?

Was it successful? Why?

Do you consider the business to be successful?

Why? Why not?

How big do you want your business to be in 5 years in terms of sales and employees?

Do you think you will still be an entrepreneur in 5 years?

If you both started a company in Norway and the US, what would you say are the biggest differences when it comes to doing business and entrepreneurship?

Appendix 2 – Results from analyzing qualitative comparative case study interviews by using open decoding and search for frameworks, similarities and differences.

Based on the purpose of the case study, the main prerequisites of the interviewees and their startups were that their nationality were to be Norwegian, a startup had to be registered in Norway or in the US, the startup had to have been in operation in 3.5 (42 months) to 5 years, and currently in operation or discontinued. In order to separate and compare the findings from the case studies, the results are differentiated by country of operations (Norway or the US) and whether or not the company is still in existence. The variables are therefore:

- Operating in Norway
- Operating in the US
- Successful startup
- Discontinued startup

The analysis will be divided into these four categories, which makes up a 2x2 matrix with 4 different possible compositions. There were 12 entrepreneurs interviewed in total, 3 from each of the categories. The four compositions of variables are Successful startup in Norway (SNO), Successful startup in the US (SUS), Discontinued startup in Norway (DNO) and Discontinued startup in the US (DUS). The definition of establishment is related to the legal registration of the entity either in Norway or in the US. The two first parts of the interview gains insight into the descriptive statistics regarding the startups in their respective context. The last part of the interview aims to offer empirical support to existing theory within the entrepreneurial field of success and persistence.

Business demographics

The business demographics section of the questions represents the initial and current position of the startups. As these questions were answered in writing, there is little to no variation between the amount of information offered by each question. As stated in the initial requirements, all of the startups have been in operation from 3.5 years up to 5 years. Another commonality for all the categories was the selection of industry for which the startup was operating in. Each category had 3 companies with either a focus on Internet and Computers, Communications and Electronics and Consumer. The information about the companies will offer insight into possible themes connected to the actual startup activity of the Norwegian entrepreneur, both in Norway and in the US. This can be useful for when analyzing possible policy improvement in either or both the environments. When dividing into the four variables, the composition of replies offered following information:

SNO	SUS
<ul style="list-style-type: none"> - All of these companies were established in the year 2009, just when the financial turmoil was at its peak in Norway. - These companies have 2-4 employees, and one company also have 4 part time employees. - 2 of 3 have entrepreneurs in their family. - Only the startup dealing with a consumer product had a patent. - Two of these companies had sales their first year, but no profit. - Their first employee was hired from 1-3 years after it was established. - One of the companies focus internationally, one in the Nordic region and the last company is only targeting Norwegian customers. 	<ul style="list-style-type: none"> - Two of the 3 companies were started in 2009, while the last one was started in 2011. - All of these companies currently have a total of 5 employees. - All of the entrepreneurs have family members who also are entrepreneurs. - Only the startup dealing with a consumer product had a patent. - Two of these companies had sales their first year, but no profit. - Their first employee was hired from 0-1 year after it was established. - Two of the companies say they target an international market, while one of them only focus on the US market.
DNO	DUS
<ul style="list-style-type: none"> - These companies were established and discontinued between 2000 and 2012. Two of these companies were established in 2000. - These companies had at some point a total of 3-4 employees. - 2 of 3 have entrepreneurs in their family. - Only the startup dealing with a consumer product had a patent. - One of the companies had experienced sales within their first year of operation, but none had profit. - Their first employee was hired from 0-2 years after it was established. - All of the companies targeted an international market, with focus on the US. 	<ul style="list-style-type: none"> - Two of the companies were established in 2007, but all companies had different year for discontinuation. - Same as the Norwegian companies, the majority of these companies had 3-4 employees, with the exception of one company that had a total of 7 employees at one point. - All of the entrepreneurs have family members who also are entrepreneurs. - Only the startup dealing with a consumer product had a patent. - None of the companies had sales or profit the first year of operation. - Their first employee was hired from 0-2 years after it was established. - All of the companies targeted an international market, with focus on the US.

There are several themes, similarities and differences that can be identified between the entrepreneurial economic and institutional context of Norway and the US related to the business demographics of the companies started by the entrepreneurs in question. Additional insight is brought to the difference between what is defined as successful companies and the ones that have been discontinued. The main themes are pointed out in the table below:

Startup in Norway versus in the US	Success versus discontinued
<ul style="list-style-type: none"> - All of the Norwegian entrepreneurs based in the US have entrepreneurs within their families. 4/6 of the ones who established business in Norway have entrepreneurs in their family. This result in the majority of both Norwegian entrepreneurs in Norway and in the US, have family members who are entrepreneurs. 	<ul style="list-style-type: none"> - The majority, 5/6 to be exact, of the successful companies was established in 2009, the year most affected by the financial crisis. There seems to be no correlation between the discontinued companies and their year of establishment or discontinuance. - It is also evident that 4/6 successful companies experienced sales within their first year of establishment. - All of the failed companied were targeting an international market. Since most the successful companies were also targeting an international market, there seems to be no correlation.

The main themes that seem to stand out the most are the fact that so many of the successful companies were established in 2009, the year when the financial crisis was most evident in Norway and the rest of the world. It is also interesting to see that the majority of the successful companies had sales within their first year of operation. This may be connected to attributes and attitudes found with the entrepreneur and also in their startup.

Even though the entrepreneurial situation, policies, environment and activity differentiates the two countries, there seem to be little to no difference between the Norwegian entrepreneurs who decide to establish their startup in the US compared to in Norway, when evaluating the data from the business demographics section. The majority from both categories has family members who are entrepreneurs. There is no information from this section that suggests that there are any specific differences separating the two groups of entrepreneurs.

Individual classification

The individual classification section of the questions was also answered in writing, and similar to the business demographics questions, offer little to no variation between the amount of information offered by each question. These questions served a purpose to possibly separate the entrepreneurs from each other on the basis of their age, gender, experience, motivation and intentions. The same division between the categories is used in this section and the main outcome from the answers are listed in the table below:

SNO	SUS
<ul style="list-style-type: none"> - The age of the entrepreneur when establishing their startup was 25 years - 2/3 of the interviewed entrepreneurs are male - The average number of years of higher education is 4 - All the businesses were based on experience and knowledge from the entrepreneurs higher education - All the entrepreneurs have business class experience - These entrepreneurs have lived abroad for an average of 1 year - These entrepreneurs have all lived in the US for an average of 7 months - None of these entrepreneurs have previous entrepreneurial experience - All of these entrepreneurs worked fulltime with their startup 	<ul style="list-style-type: none"> - The age of the entrepreneur when establishing their startup was 43 years - 2/3 of the interviewed entrepreneurs are male - The average number of years of higher education is 6 - All the businesses were based on experience and knowledge from the entrepreneurs higher education - All the entrepreneurs have business class experience - These entrepreneurs have lived abroad for an average of 15 years - These entrepreneurs have lived in the US for an average of 6 months - All of these entrepreneurs have previous entrepreneurial experience - All of these entrepreneurs worked fulltime with their startup

DNO	DUS
<ul style="list-style-type: none"> - The age of the entrepreneur when establishing their startup was 36.5 years - All of the interviewed entrepreneurs are male - The average number of years of higher education is 7 - All the businesses were based on experience and knowledge from the entrepreneurs higher education - None of the entrepreneurs have business class experience - 2/3 have lived abroad for about a year - These entrepreneurs have lived in the US for an average of 6 months. One of them had not lived in the US - Two out of 3 entrepreneurs have no previous entrepreneurial experience - None of these entrepreneurs worked fulltime with their startup 	<ul style="list-style-type: none"> - The age of the entrepreneur when establishing their startup was 33 years - 2/3 of the interviewed entrepreneurs are female - The average number of years of higher education is 8 - All the businesses were based on experience and knowledge from the entrepreneurs higher education - Only one entrepreneur out of 3 have business class experience - These entrepreneurs have lived abroad for an average of 4 years and in the US for an average of 3 years - Two out of 3 entrepreneurs have previous entrepreneurial experience from 2-3 different startups - None of these entrepreneurs worked fulltime with their startup

There are several themes, similarities and differences that can be identified between the entrepreneurial economic and institutional context of Norway and the US related to the individual classifications of the entrepreneur. Additional insight is brought to the difference between what is defined as successful companies and the ones that have been discontinued. The main themes are pointed out in the table on the following page:

Startup in Norway versus in the US	Success versus discontinued
<ul style="list-style-type: none"> - All entrepreneurs except one, both in Norway and in the US, have spent some time abroad and in the US. The successful Norwegian entrepreneurs in the US have lived substantial amount of time in the US. Also the entrepreneurs behind the discontinued startups in the US have lived longer in the US compared to the Norwegian entrepreneurs in Norway. - The majority of the Norwegian entrepreneurs starting in the US (5/6) have pervious startup experience - There seems to be no correlation between age of entrepreneur and country of startup - The majority of the discontinued startups in the US were started by women. All the other categories have a 2 to 3 ratio of male to female entrepreneurs and there seems to be no correlations 	<ul style="list-style-type: none"> - The majority of the companies that were discontinued were started by entrepreneurs without business class experience - None of the entrepreneurs who worked with the discontinued startups were working with it fulltime - There is no correlation between previous startup experience and a successful venture - The age for entrepreneurs starting successful businesses in the US is slightly higher than when starting in Norway, although there seem to be no correlation between this and the successful or discontinued business in Norway - All the entrepreneurs had an average of 5 year of higher education, although the entrepreneurs from the discontinued startups have an average of 2 more years of higher education

The main themes identified from the information retrieved from the individual classification questions are mainly that abroad experience might have an influence on the entrepreneurial intentions and motivation of potential Norwegian entrepreneurs. Deciding to start up abroad might also be related to previous entrepreneurial experience, as the majority of the Norwegian entrepreneurs who decided to start a venture in the US have previous startup experience. It is interesting to notice that even though all the Norwegian entrepreneurs who started in the US have previous startup experience; the majority of these entrepreneurs do not have business class experience. And none of the discontinued startups were worked on fulltime, which suggests that entrepreneurship is considered to be more of a hobby than a conscious career choice. All the Norwegian entrepreneurs have an average of more than 5 years of education, the ones in the US had up to 7 years, and all the entrepreneurs used their educational and/or professional background as basis for starting their business.

Entrepreneurial characteristics and attitudes related to persistency and success

The information gained from this more open ended part of the interview was dense. Main themes were identified and are presented here.

Financial and governmental support

According to the entrepreneurs in Norway, there are several bridge organizations, most often funded by the government, who are in a position to financially support entrepreneurs and their ideas in Norway. Innovation Norway and Leiv Eriksson Nyskaping were two of the bridge organizations most often mentioned when talking about financial support. Although the entrepreneurs were grateful of the support they received from the bridge organizations, this support was often expected and almost mandatory. There is a lot of paper work and administrative cost that goes into applying for such grants in Norway, and they often take away critical time of the initial stage of a startup. Also, even if they received financial support, the majority of these entrepreneurs felt they were not offered the business advises and knowledge required to succeed.

“Innovation Norway has too much control over the entrepreneurial industry in Norway. Their subjective definition of a potential successful business opportunity is keeping certain business ideas out in the cold. They also claim to be willing to help, when in most cases this is not the truth, especially abroad”.

The majority of the entrepreneurs mention Innovation Norway and Leiv Eriksson Nyskaping when asked about initial investor approach and success. Since most of the entrepreneurs and their startups financial support from such governmental institutions, writing applications becomes a vital part of the Norwegian startup activities, when in the US the entrepreneurs are left to prove themselves until they can attract potential investors. In addition to the bridge organizations, all the entrepreneurs, both in Norway and the US, invested their own money in their startups. This was most often to cover the expenses related to the actual registration of the legal entity. The successful entrepreneurs also made it clear that they invested money in order to survive the initial year of operation. All of the interviewed entrepreneurs also made it very clear that they invested a lot of time into their startup.

“Writing applications doesn’t make you an entrepreneur. It makes you lazy”.

A majority of the entrepreneurs who were interviewed comment on how there is a lack of an entrepreneurial environment and ecosystem in Norway. The Norwegians lack the entrepreneurial mindset that is more predominant on the US. Instead of educating additional employees, which there are plenty of in Norway, there is a demand for educating future entrepreneurs. People are not

aware that entrepreneurship is a potential career opportunity, as it is not a common choice amongst the newly educated people in Norway. Being headhunted a year before graduating makes it even more attractive to be a regular employee rather than living like a student after graduating. When the alternatives in Norway are fulltime jobs, the alternative to starting a business in the US is to start a different one. In order for Norwegians to choose to become entrepreneur compared to other alternatives, additional supporting regulations, encouragement and facilitation by the government is required.

The entrepreneurs also mention that Norway is a great market to start out and test your business idea in. But they also point out that the market, network and therefore opportunities are limited and that an international perspective is required in order to succeed. This is all relative to industry, business idea and growth intention. AS the US is already consider an international market and offer diverse market segments, Norwegian entrepreneurs in Norway often experience trade barriers when trying to expand through Europe due to Norway not being a part of the European Union.

“The Norwegian market is limited. When accounting for the potential number of customers, potential sales and expenses – you do the math - you won’t be able to survive without growing and expanding”.

By looking at the previous experience that these entrepreneurs have, it is evident that international experience has encouraged them and their entrepreneurial motivation and aspirations. They claim that there is a different drive and enthusiasm about entrepreneurship in the US that is hard to find in Norway. The startup culture is not present and many of them feel as though the Norwegian culture and tradition expects them to get gainfully employed after completing school. They believe that the attitude towards entrepreneurship needs to change in order to facilitate growth and a sustainable economy that is not dependent on the oil or aquatic industry.

“In order for the economy in Norway to grow and survive we need to change our perceptions and attitudes towards entrepreneurship. We need to educate young potential entrepreneurs and give them the option to become entrepreneurs alongside doctors, lawyers and teachers”.

Intentions, motivations and persistence

Half of all the entrepreneurs who started the discontinued ventures say that they were approached by a person who was interested in their idea or concept. They were then introduced to investors and were backed financially. It was not their initial intention to start a company, but figured they should take advantage of the opportunity that was presented to them. It seems as if these people did not start

out with entrepreneurial intentions and motivation, but were rather drawn in to the startup environment with mostly financial objectives. They did not have the business development skills required to succeed and failed to do so. Another main reasons for these entrepreneurs to engage in entrepreneurial activity was either due to lack of other employment options. Their field of study was either liked to a business affected by the financial turmoil, or a field of study so special that the jobs requiring their skillset were limited.

“One of the reasons I started writing a business plan was because I was experiencing a tough time finding a job. I was typically second in line to get hired, but it never worked out. So instead of doing nothing and going on welfare, I decided to use the knowledge I had learned at the university and create a job for myself. At the time I was not completely sure what the idea was, but I was sure I was going to work with my passion”.

Half of the successful entrepreneurs had alternative options to starting their business. These options were either alternative opportunities or regular employment options. Most of the entrepreneurs who started business that were discontinued did not have alternate options in mind. In addition to stumbling into entrepreneurship and being forced into it by lack of other options, a couple of entrepreneurs also wanted to become entrepreneurs in order to make use of their knowledge, skills and experience. This information is supported by the fact that all of the entrepreneurs used their educational and professional experience and knowledge as basis for their startup. Several of the entrepreneurs mentioned several of the above mentioned reasons for becoming entrepreneurs, and some even mentioned that they wanted to make a difference in the world and add value to potential customers and the economy. They also mentioned that they wanted to work with their passion and that they wanted to be passionate about their work. Very few of the entrepreneurs said they wanted to start a venture purely for the financial benefits. They mostly claimed that this would just be a consequence of the main motivations for starting the business. As presented in the previous section, a majority of all the entrepreneurs have family members who are entrepreneurs. This seems to have an effect on the decision to become an entrepreneur.

“The advantage of coming from a home with entrepreneurial parents is that I am continuously encouraged to take risks and to try new things. My dad even told me that if I didn’t take the opportunity, he would take it for me. And I couldn’t let that happen.”

All the entrepreneurs in both Norway and the US expressed a desire to continue as entrepreneur well into the future. This tells us that most of the entrepreneurs that were interviewed are entrepreneurial by nature and used to living life outside the box. When asked about their growth intentions, most entrepreneurs expected to have up to a total of 20 employees or less. This shows that most Norwegian entrepreneurs, both in Norway and the US, do not have high growth intentions for their companies. This goes for both the entrepreneurs who started a successful venture and the ones who were discontinued.

“Entrepreneur is something I am. So I will definitely continue to be one. Whether or not I am working on this very startup is uncertain”.

Both the Norwegian entrepreneurs in Norway and the ones in the US have a different meaning of what success entails. Most of the entrepreneurs behind the discontinued ventures claim that their businesses are not successful. This is mostly due to them currently not being in operation. Some of them then mention that their technology on the other hand, was successful. Some also mentioned that they considered the business and its progress to be part of a personal success. One entrepreneur from a discontinued startup said that they considered the business to be successful since they had saved lives with their product.

“I consider the business to be successful in many ways. I have gained a large amount of experience and knowledge within the industry, which have lead to the product being available in stores. I would not say that the business is successful when it comes to profits just yet”.

The entrepreneurs behind the successful startup have all very different opinions of what a successful business entails. One entrepreneur relates success to sales and profit. Another adds, in addition to profit being a part of the success criteria, that having gained new knowledge is success it itself. Two of the entrepreneurs claim that their business is successful since the technology they developed is working. Another two of the entrepreneurs bluntly claim that their businesses are successful. The remaining two entrepreneurs have a very different perspective of how and when success is achieved. One of them says that they do not consider something that is half done to be successful. And since the business had not reached its final goal, success if not yet reached. If success is reached they would not still be working with the startup.

“It would be wrong to say it hasn’t gone well up until now. It had probably gone as well as it could have. I wouldn’t say it is a success, as I relate success to having reached all the company milestones and experiences some type of closure”.

The last entrepreneur claims that the business has yet to experience success, and probably never will. This is due to their impression that success is related to losing passion and motivation for the business. On the other hand, this entrepreneur believes that the milestones and success criteria are constantly moving forward with the business. What would be considered a success 6 months ago is not a success when accomplished as the success criteria is constantly moving forward as the business is.

Closely related to success is the ability and skill to persist. All, except one of the entrepreneurs, both from the successful and discontinued ventures insisted that they were persistent. It is perceived that cognitive persistence is the most important skill as an entrepreneur. The reason behind their statements were that they never give up, that they tried their best and that they are able to meet resistance. The fact that the entrepreneurs behind the discontinued companies based their persistency on not giving up and being able to meet resistance might appear to be contradictory statements. One entrepreneur has value to add to that perception:

“If you are not persistent, you will not survive as an entrepreneur. If you are not persistent you will try to start a business once, fail and not try it ever again. Then you are not meant to be an entrepreneur. Sometimes it doesn’t work out and you have to know when to make changes to your plan and direction and try again elsewhere. You do not need to be successful to be persistent”.

Many of the entrepreneurs mention that there is a completely different acceptance to failure in entrepreneurship when comparing Norway to the US. As an entrepreneur in Norway you are expected to make it, and the only option to success is failing. And as mentioned, most entrepreneurs in Norway that fail will not try to start another business again. Entrepreneur, in Norway, is a status with certain prerequisites. It is a common understanding that being an entrepreneur in Norway requires you to have reached certain goals and milestones. Entrepreneurship is not introduced as a possible career choice early enough for people to aspire to become entrepreneurs. It is the impression that many Norwegian entrepreneurs fall into the situation of being an entrepreneur by coincidence. This statement can be verified by the large number of entrepreneurs who said that they started a business due to encouragement from an external person, rather than having initial desires to become entrepreneurs. A comment was made about Norwegians having to accept failure as a possibility, but not the only alternative to success.

Entrepreneurial risk

A majority of all the entrepreneurs were very clear on having a high tolerance for risk. When asked about their worries related to the business, there were not many. Most of them said that the worried, if any, were related to challenges

experienced with the financials of the company and also with the personal economy. A majority expressed that most of the worries related to the startup became apparent when the business was already started. These worries were also related to financials, such as developing a revenue model, short-term cash flow and insecurities. These worries also included customer traction and potential failure. A few mentioned that it became a worry to figure out how to remain in the US due to VISA restrictions, and some had worries related to the technology development. These worries were most often mentioned by the successful entrepreneurs. Even though most entrepreneurs mentioned having worries, they all mentioned that they actually weren't very worried. This can relate to the grand safety net that can be found within the Norwegian welfare and economic system.

"None of us were really worried when we started the companies. We all had jobs we could return to. I think what separated the ones who worry from the ones who don't, are having option available if success is not achieved".

When talking about risk, all the entrepreneurs were very insistent that there were little to no risk involved with starting a business in a country such as Norway. One even went as far as to say that if you believed that starting a business in Norway involved high level of risk, then you should not become an entrepreneur in the first place. It was as though many of the entrepreneurs believe that having some perception of risk was not acceptable as an entrepreneur in Norway due to the incredible safety net and financial support options. On the other hand, after having claimed that there was very little risk involved with starting a business in Norway, they went on to say that they were very risk willing and had a high-risk profile. They then went on to say that they all took on financial risk. Going back to the safety net and welfare situation of the Norwegian economy, most of the Norwegian entrepreneurs do not recognize the financial risk as a dominant or relevant risk. They recognize that the money in itself is a risk, where the risk is loosing that money. The risk is then diminished due to the options available when that investment turns into an actual risk.

"Starting a business in Norway is a lot of work, but I would not consider it to be risky. You are not held personally accountable of the business fails, and the government helps you out. People who say it is risky to start up a business in Norway don't know what they are talking about."

Naturally, the entrepreneurs who are no longer working with the startup in question do not recognize any current worries or risk related to the business due to its discontinuance. The entrepreneurs who started their business in the US offered slightly different responses regarding risk, as the financial situation and alternatives are quite different from the one offered in Norway. As the other

entrepreneurs, they stated that the financial risk was definitely the biggest risk of them all. This was due to the implications it could have on the continuance of the business itself and the impact it could have on their personal lives. No income while running a business in the US could result in loss of VISA status and health care plan. These implications display a higher risk, than the ones mentioned by the Norwegian entrepreneurs in Norway.

“Moving to the US was not related to risk in my situation. This was something we wanted to so. But what I did considered to be a risk, was the money I had to put into the company up front. Money I in reality didn’t have”.

A majority of the entrepreneurs, both in the US and Norway, claimed that they were persons with high-risk tolerance, and used this as an advantage when deciding to start a business. They say they are risk willing, but also that there are no real risks to take in Norway. And then again they say they handle risk well since they choose entrepreneurship over a regular job. It seems as though Norwegians have a mixed understanding of the concept of risk and how this is overcome. Additional comments were made about Norwegians resisting to take on risk to achieve their entrepreneurial goals. The alternatives are too attractive and the entrepreneurial attitude is lacking. These entrepreneurs also believe that the Norwegians choosing to start a venture in the US have a different risk profile.