

# OPEN MARKET AND FUNDAMENTAL SKILLS OF AN ENTREPRENEUR UNDER BRAZILIAN NEW MANAGERS' POINT OF VIEW

Cléber Da Costa Figueiredo, ESPM – EAESP/FGV  
Edmir Kuazaqui, ESPM – UNIP

## ABSTRACT

*Entrepreneurism is an important phenomenon for the economic and social development of businesses and people. In relation to Brazil, when taking into consideration the reality of globalization and its influence on Brazilian economy, its importance is even higher. If entrepreneurship is well applied, it can bring wealth and economic development, reducing the reality of structural unemployment.*

*For evaluating the Brazilian new managers' point of view, we undertake a triangulation research. In the first step, the qualitative research involved ten businesspeople in the city of São Paulo and, in the sequel, twenty-one students from the seventh semester of the Administration course. The quantitative step pursued to structure and to list the constructs founds in the qualitative step based on 94 answers, by factor analysis. The main findings of this step are the Brazilian difficulties in adapting to new cultures and languages as an obstacle for entrepreneurship, additionally, the Brazilian difficulties with people management and relationships, even though it seems contradictory with the Brazilian stereotype.*

*We sought to answer how the interviewees understand the way in which globalization and entrepreneurship influence work and professional activities, as well as the necessary competences for an administrator to entrepreneur.*

## INTRODUCTION

Entrepreneurial mindset is important for people, businesses and society. Entrepreneurship relates to a human competence and can be applied in different ways: in the economic development of countries, as it generates the expansion of the technology foundation for companies; as an action that identifies and develops new models for business activities. In addition, transforming knowledge into products, services and outcomes; and finally as a profitable use for the exploitation of untapped market niches (Schumpeter, 1982). According to Bygrave and Zacharakis (2010, 1) 'this is the age of entrepreneurship.' However, entrepreneurship can relate, for example, simply to the search for new ways of performing an operational activity. The secret is to recognize an opportunity, understand the business model and know how to put it on the market and make it grow (Bygrave & Zacharakis, 2010).

Although there is much talk about the creativity of young people, they do not always have the opportunity to entrepreneur, either from a lack of experience and personal and professional maturity, or from particularities of the contemporary scene. One of these is the reality of open markets that, in many cases, favors companies that are more prepared and have more hard-hitting and effective strategies, thus hindering the development of small businesses. Young people need to take hold of the task of creating new jobs rather than waiting for stable employment in large, already renowned and established companies (Thompson, 1999).

Brazil has the business potentials yet to be developed and entrepreneurship can contribute to regional, national and global development. In addition, Bruton, Ahlstrom and Puky (2009) concluded that the progress of the legal system, the protection of intellectual capital and the advance of entrepreneurial culture throughout all of Latin America are favorable aspects for the countries in the region. Thus, this article seeks to understand entrepreneurship within the age bracket of young Brazilians, future graduates of Administration courses, seeking to understand the problem as well as have a panoramic view of the labor market and the topic of entrepreneurship.

## **OPEN MARKETS AND THEIR INFLUENCE ON ENTERPRISES AND EMPLOYMENT**

Rifkin (2008) estimates that global society is heading towards a model of structural unemployment, with activities related to work, but not necessarily with the creation of formal jobs. He believes that society should turn towards the intangible, such as the actions of the third sector. This leads us to believe that countries and companies should mold themselves to the macroeconomic moment, according to their structure, while continuing to take into account that there is another variable that are the human organizational talents, that also need personal and professional growth.

For Brazilians, the idea of an open market exists since they have transposed the Tordesillas meridian, and have started their persecution for gold, silver and diamonds, in the 17th century, as the Americans have done in the westward expansion (Prado & Pellegrino, 2014). Sao Paulo was one of the poorest regions of the Portuguese Empire, and from this, they started to seek new ventures in order to survive.

The way in which one reacts to changes and transformations is what can make the difference between what is considered as being normal and what is entrepreneur, as Adizes (2004) highlights. When a group of companies standardizes the forms of reaction to changes, it is possible to categorize them as generic strategies. On the other hand, the reactions may originate from a differentiated perception of the company, stemming from other variables and within the worldview of their own managers. The big challenge is to perceive this new vision and know when to start the change processes. So, the Brazilian region called São Paulo State, from its history can have conditions to first seek for new reactions, and it is acting as an influencer for other Brazilian regions.

In this way, the positive side of globalization is the possibility of new challenges on the part of domestic companies, the exchange of information and technologies, the prospect of competing in markets where there are companies that can serve as a growth model.

## **HUMAN CAPITAL AND ENTREPRENEURSHIP IN BRAZIL**

Having an entrepreneurial mindset is of no value if there is no human capital prepared to use it. Human capital does not mean only the labor force, but possible potentials resulting from its characteristics and management. It is necessary to understand the idea of social capital, in Brazil, before to define human capital. In a more general way, Clarke, Chandra and Machado (2016) have studied in which extension social capital plays a role in Brazilian context, from a consolidate industry of Brazil: the Brazilian stone industry at Espírito Santo State, as an example. They evaluated six dimensions and found Brazilians are more interested in information and collective action than networks, for example. Also, they found political empowerment is

correlated with the majority of variables in their study. This last important dimension could be related to the Brazilian Spring (Wills, 2013). Therefore, in Brazil, the idea of social capital is related to the conjoint action for solving problems and to the utilization of information in order to construct a common good, instead of doing networks in this specific industry. Although it could seem contradictory, based on the cultural Brazilian stereotype, it is feasible inside a Brazilian consolidated industry, located out of the mainstream of urban life. Thus, Brazil cannot be defined as a unit, at first. The world does not see Brazil as a federation. The entrepreneurial mindset needs to be explored in order to transfer resources between Federal States. There are places with higher levels of development and globalization, and others uninhabited, or with low social and economic mobility, and strong cultural barriers. In this study, we delimited our sample from São Paulo City, which is the biggest city of Brazil and the most important financial center.

Additionally, Drucker (2008: 22) comments that ‘an entrepreneur transfers economic resources from a lower productivity sector to a sector of higher productivity and greater efficiency.’ Within this vision, knowledge generates knowledge and there is a direct relationship between teaching, education and entrepreneurship as a direct consequence of learning. According to EY G20 Entrepreneurship Barometer (2013: 8) ‘the general level of education is still low, with a reduced number of researchers and a below average number of articles in technical publications.’

According to the same source, the society of the future must have three predominant characteristics: an absence of borders, whatever they may be, for the dissemination of knowledge; social and economic mobility rising through education; and the potential for success and failure. Nogueira (2007: 303) notes that ‘the construction of competitive advantage in a globalization context depends on the articulated mounting of a network that goes beyond the rivals as well as the real and potential competitors in a given sector, in terms of factor conditions, demand conditions, strategy and support industries.’

So, we can extend the idea of social capital to human capital, as

*The set of idiosyncratic skills, capabilities, experience, and knowledge related to a task, and the ability to increase this capital through learning by entrepreneurs. Individuals’ motivations, abilities, skills, knowledge, and learning shape their ability to discover and exploit an entrepreneurial opportunity and achieve advantage for their firms. (Solesvik, Westhead, Matlay, & Parsyak 2015: 750).*

Thus, the idea of learning by observation inside excellence centers, such as universities, is essential in the process of entrepreneurship, since students can realize cases of success around them and put the best experiences in practice. On the other hand, Hietanen and Järvi (2015) have proposed that the entrepreneurial learning process can be thought from a non-business basic education to vocational education. In this sense, at every school level can be essential for the entrepreneurial education, not only the higher education. Besides, Bandura (1971) developed the social learning theory that encompasses the traditional idea of learning, and the ideas discussed in the beginning of this paragraph. In his theory, individuals can learn by imitating people around them. ‘The more rudimentary form of learning, rooted in direct experience, is largely governed by the rewarding and punishing consequences that follow any given action’ states Bandura (1971: 3). Nevertheless, it would be hard to teach someone to speak, if this person would be private of hearing other people speaking. In the same way, entrepreneurs will become entrepreneurs when they have opportunity to learn by observing the behavior of others. So, universities will have the best conditions to assess this theory if, and only if, the academic

environment is full of entrepreneurial ideas. Otherwise, we need to investigate most profitable environments.

In this sense, there are some skills that distinguish the entrepreneur, and the university is not the only responsible for preparing the new entrepreneur. Zacharakis (2013) proposes five skills related to the success of an entrepreneur: passion, commitment, energy, knowledge and network. In accordance to Bandura's social learning theory (Bandura, 1971), motivation is the main skill a person requires in order to repeat a behavior retained. In other words, first you need to pay attention in the behavior of one model, and after, is necessary to retain the newly knowledge before reproduce it. So, knowledge is also a skill related to the success of an entrepreneur, even in social learning theory.

In Brazil, we can distinguish mainly two groups: the well-educated people, and the not so well-educated. The way this two groups developed the power of learning by observation is the same, but inside different scenarios. So, the university could be the scenario for finding new entrepreneurs in the first group. Most of them started their new ventures in junior enterprises. The world's biggest junior enterprise confederation is located in Brazil (in Portuguese, *Brasil Júnior*). The purpose of this confederation is to represent the Brazilian junior enterprise movement. This movement started in 1967 in France, and has spread all around the world. In Brazil, it represents 11,000 junior entrepreneurs, currently, around 20 federation states. It had 3,725 projects in the last year, and encompassed 391 junior enterprises (Brasil Júnior, 2017). Matlay (2008) discusses the importance of entrepreneurial education on entrepreneurial outcomes. The junior enterprises have this role. In his research, Matlay (2008) concludes entrepreneurial education can minimize the impact of unemployment on people who received this education.

The second group, composed by not well-educated people, has its first experiences at home. Generally, they start the new ventures by observing their parents in informal jobs. The main difficulty for understanding these people is they are not included in economically active population. Besides, they do not have enough entrepreneurial finance education to launch their ventures (Macht, 2016). This is an advantage that only the first group of Brazilian can access. However, this reality has been changing. In 2008, a Brazilian regulation was created in order to put this people in the formal market (Portal, n.d.; Receita, 2009).

Therefore, the individual microentrepreneur was defined by this law as a person whose income is at most R\$ 60,000 (about US\$ 18,750 if R\$ 3.20 = 1 US\$) per year. If the total income overlaps R\$ 72,000 (about US\$ 22,500) per year, so the individual microentrepreneur will become a common 'microenterprise', and will need to pay the fees of whatever microbusiness. This new framework of taxation is called 'simples nacional'. If the total income is between R\$ 60,000 and R\$ 72,000 also the venture will be considered a microenterprise, but the taxation will depend on the business type. Besides, the worker need to pay monthly a tax of 11% of the Brazilian minimum wage for Brazilian Social Security (INSS, in Portuguese), and other taxes as the state value-added tax on the circulation of goods, interstate and intercity transportation and communication services almost like the American excise tax (ICMS, in Portuguese), and the service tax (ISS, in Portuguese). Of course, all these legal implications become the hindrance for many informal workers not to subscribe in this new regulation. In general, they have few years of formal education; most of them are functionally illiterate. Thus, they cannot understand how to proceed to be an individual entrepreneur.

Based on this, the first proposition of this paper is that bureaucracy and Brazilian laws inhibit the entrepreneurial spirit. Despite Dickson, Solomon and Weaver (2008) do not have

found a link between general education and the choice to become an entrepreneur; they have found strong evidence supporting the relationship between levels of education and entrepreneurial selection and success.

On the other hand, there is a changing of *status quo*, when a person comes from nowhere and become an entrepreneur. Freire (1970) describes how the relationship between the colonizer and the colonized remains relatively stable in Brazil, where the yoke of Portuguese colonialism left some spots. By becoming an entrepreneur, the Brazilian has the power of handling the system.

*At a certain point in their existential experience the oppressed feel an irresistible attraction towards the oppressors and their way of life. Sharing this way of life becomes an overpowering aspiration. In their alienation, the oppressed want at any cost to resemble the oppressors, to imitate them, to follow them. This phenomenon is especially prevalent in the middle-class oppressed, who yearn to be equal to the "eminent" men and women of the upper class (Freire, 1970: 62).*

This excerpt shows how the Brazilian mindset is operating. In this sense, by owning a business will distinguish a person and will put him or her in a better social position. Therefore, we will state, in this research, that Brazilian ideological issues do not inhibit the entrepreneurial spirit. On the contrary, the ideological wish of become eminent businessmen will strength the motivation for entrepreneurship.

Besides, Brazil is the only country in America which was settled by Portuguese colonialists. This territorial and physical isolation were becoming visible all along the America history (Prado & Pellegrino, 2014). The language, the functional illiteracy, the humongous territorial extension, as well as Brazil's geopolitical reality might corroborate to the fact which the "without" borders reality has still not been achieved. In face of these cultural barriers we can propose Brazilians have a little difficulty in adapting foreign products and services to the domestic market.

Moreover, there are some difficulties in opening whatever firm in Brazil, even though you belong to the Brazilian well-educated group. In accordance to Portal do Sebrae (2017), sometimes the Brazilian entrepreneur has a good idea for a venture and start pursuing it in order to putting the willingness to take an action from idea to startup. Nevertheless, at first, the entrepreneur must define the legal nature of the venture. This must be deeply detailed, beyond on having a full description of activities in the article of incorporation. In order to prepare it, the entrepreneur will need a lawyer or an accountant. However, only a lawyer can sign the article of incorporation, even though the lawyer has been admitted only for this. The accountant cannot sign it. After the authorization, the commercial register of that federal state will demand lots of documentation in accordance to legal nature of the enterprise. Currently, Portal do Sebrae (2017) is the main support for small and microbusiness, in Brazil. The last Governments have tried to reduce the specific legislation for opening a business, in the sense of diminishing the bureaucracy and motivating more people for the entrepreneurship. When the startup becomes formal, the entrepreneur must bear a sequence of obligations, as fees and taxes at the level of the federation, of the state and of the municipality.

Freire (1989) affirms Brazilian society is in transition since 20th century. By leaving behind the idea of a country traditionally exporter of commodities, commanded by the foreign market, with precarious urban life, and alarming rates of illiteracy, therefore, a delayed country. On the other hand, the process of opening a business, in Brazil, is not encompassed by bureaucracy only, but for the lack of management skills, as well specific knowledge. Mohamad, Lim, Yusof and Soon (2015) proposed that entrepreneurial education must be promoted by the

State and they have suggested including this subject into the curriculum of Malaysian students in every level of education, in order to flourish entrepreneurial intentions to real enterprises.

Kuazaqui (2015) proposes that the capacity of entrepreneur, creativity and the pursuit of innovation are essential competencies whatever is the business. Of course, how there is a rapid necessity of transform an idea in profit, most of Brazilian entrepreneurs do not start a business by undertaking market research, so the consequences are difficulties in attending the market, accounting and managing the new venture. Currently, we have a much better urban life, a sophisticated agribusiness, and low rates of illiteracy, although the functional illiteracy is still an unsolved problem. So, in business, we can extend this definition as entrepreneurial functional illiteracy. That is 'an almost businessman' who believes he is ready for entrepreneurship, but his startup has no conditions of taking off.

## METHODOLOGY

This research arose out of a dialogue between the authors and entrepreneurs from ten large companies located in the City of São Paulo. The meeting took place in the form of a breakfast, which aimed to identify business opportunities as well as general information about the labor market in Brazil, particularly for the new graduates of Administration courses, and its direct relationship with academic learning.

In possession of this information, we carried out a qualitative research with 21 interviewees in an intentional sample of 7th semester students of the Administration course, in order to identify their views and experiences. Although intentional, the sample was qualified in the case of students who have chosen to specialize in International Management. The average age of the applicants was 21.5 years. Two of them already worked in a private business, as partners; 15 were trainees and four were inactive. The group was predominantly female (76%).

After the analysis of the results of the qualitative research, we carried out another research, a cross-sectional survey type, with 94 students from the 4th semester of the Administration course, with the intention of measuring the understanding of the concept of entrepreneurship and the open market before the students had chosen their options for specialization. Among the interviewees, 59% of them claimed to have interest in opening their own business. The use of this specific sample occurred because of the fact there are studies that confirm the inclination of college students towards entrepreneurship (McLarty, 2005; Vinten & Alcock, 2004).

The qualitative questionnaire construction arose from the literature insights raised by the authors relative to the analysis of studies that represent the state of the art in entrepreneurship and open market, revisiting them on a comparatist-based perspective. In this sense, the investigation concentrated on the theoretical reflections of authors such as Bruton et al. (2009), Bygrave and Zacharakis (2010), Littunen and Niittykangas (2010), McLarty (2005), Thompson (1999) or Vinten and Alcock (2004), to name a few.

Besides, the idea of this part of the research was to verify if our three propositions

- P1* Brazilian laws and bureaucracy inhibit the entrepreneurial spirit;
- P2* Brazilian ideological issues do not inhibit the entrepreneurial spirit;
- P3* Brazilians have a little difficulty in adapting foreign products and services to the domestic market.

were true or false.

<b>Table 1</b> <b>QUANTITATIVE RESEARCH QUESTIONNAIRE</b>	
Q1	Currently we live in a globalized reality, where theoretically there are no borders between countries.
Q2	The fear of competition is a factor that intimidates the entrepreneurial spirit. (*)
Q3	Bureaucracy and Brazilian laws inhibit the entrepreneurial spirit.
Q4	Cultural barriers are an obstacle for entrepreneurship.
Q5	The difficulty with people management and relationships inhibits entrepreneurship.
Q6	The Brazilian political and ideological issues inhibit the entrepreneurial spirit.
Q7	The Brazilian customs system is not prepared for the reality of no borders. (*)
Q8	The territorial and physical isolation as well as Brazil's geopolitical reality corroborate to the fact that the no borders reality is not achieved. (*)
Q9	The instability of the Brazilian economy is an obstacle for entrepreneurship.
Q10	The Brazilian's difficulty in adapting to new cultures is an obstacle for entrepreneurship.
Q11	There is difficulty in adapting foreign products and services to the domestic market. (*)
Q12	An opening of the borders will decrease the supply of jobs, because Brazilians are less qualified workers. (*)
Q13	The withholding of patents and technology by foreign countries inhibits entrepreneurship.
Q14	Competition in the domestic market is an obstacle to the opening of a new business.
Q15	An open market (without borders) promotes the creation of new jobs.
Q16	The opening of borders brings benefits for developing countries
Q17	Continuous improvement of products and processes will be required for the survival of businesses in a market without borders.
Q18	With a without borders reality, exchange will be necessary, there will be an exchange of experiences, beliefs and customs.
(*) items in reverse order.	

In the sequel, the quantitative survey relied on the statements from the qualitative research. The proposal of the use of the quantitative method, anchored in the qualitative questionnaire, was to use some form of triangulation, in order to articulate both methods (Fielding & Schreier, 2001; Flick, Kardoff & Steinke, 2005) and unveil if there are any paradoxes or convergences between what was investigated in the qualitative (with experts) and quantitative research (Kelle, 2005). The main goal of the quantitative research was to understand the importance of the new concepts formed by the combination of skills proposed in the qualitative research, and to be able to list them in order of importance.

For attaining the constructs and for putting them in order of importance, we used the factor analysis technique. For applying the technique Hair, Anderson, Black and Babin (2009, 97) indicate 'as a rule, the minimum is to have at least 5 times more comments than the number of variables to be analyzed, and the more acceptable size would have a ratio of 10 to 1'.

The instrument used was composed of 18 items on a Likert scale (Table I), so in this way, the indication of Hair et al. (2009, 97) is also supported with a sample of 94 applicants.

In addition, we conducted a pre-test to eliminate doubts around the understanding of the questionnaire and for contributing to its content. In this way, the following issues are related to the analysis of the reality of the open market inside the Brazilian environment.

### Qualitative Research (With Experts)

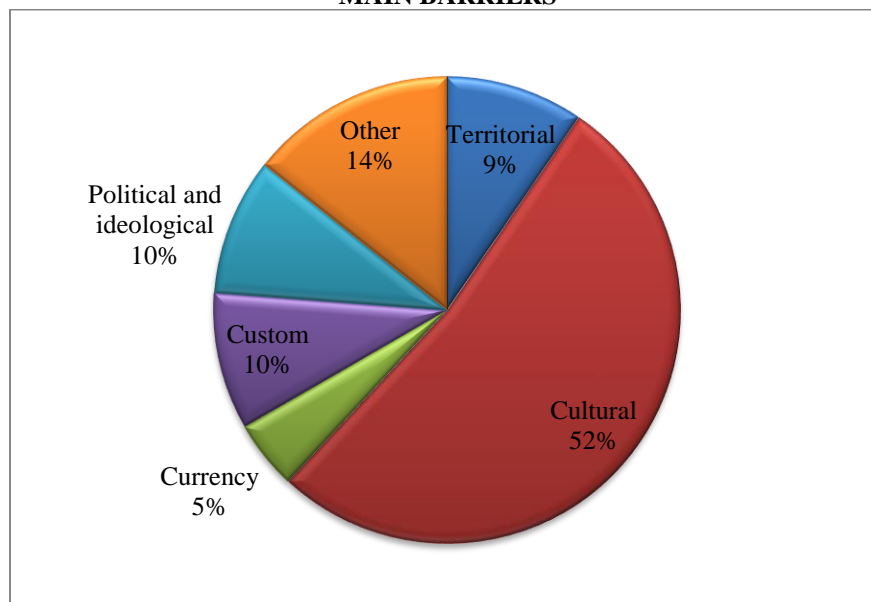
For the purpose of explain our qualitative findings; we will put the questions and the analysis in the sequel.

**Question 1 – We live in a globalized reality, without borders between the countries. What is your opinion on this? List the main barriers.**

Twenty-four percent totally agreed and another 24% partially disagreed; 4% neither agreed nor disagreed, while 10% totally disagreed. The majority, 38%, partially agreed with this concept and most cited barriers, for the disagreement of the understanding of a reality without borders, were cultural ones (52%), what is in consonance with our proposition which states this issue can cause a little difficulty in adapting foreign products and services to the domestic market.

For instance, the interviewees listed the main barriers for open market reality in Brazil. The results appear in Figure 1, and the cultural barrier was the most cited, as we can see. The same trouble showed in the literature review. As Brazil, is facing a humongous political crisis, since 2013, this issue was also cited, and it is related to the Brazilian Spring (Wills, 2013). Barriers as custom trouble and territorial isolation also appeared, as was presented by Prado and Pellegrino (2014).

**Figure 1  
MAIN BARRIERS**



**Question 2 – What are the main problems that affect your area of business?**

In this question, we intended to specify the area of business of the new managers. Apart from the cultural barriers (14%) and competition (22%), they also cited relationship problems



(14%) and customers and people management; products that are not adapted to the Brazilian reality (14%), the climate and territory; the complexity of Brazilian legislation (14%), in addition to the bureaucracy of the decision-making bodies and the sluggishness of the processes. Another highlight is the instability faced by the Brazilian market (22%) with contracting policies and price-sensitive products. Here, we can verify the presence of the complexity of Brazilian legislation and the bureaucracy (Sebrae, 2017), as we stated in proposition (P1). Besides, Brazilians cannot be seemed the most outgoing people on the earth, once they also have relationship problems, and difficulties in people management.

### **Question 3 – How you relate the activities of your company with the no borders reality?**

There was no consensus among the answers, but the following stand out:

1. The company's activities would be more globalized if there were more bilingual employees and products with adaptations to English.
2. The applicants who work in pharmaceutical, toiletry or cosmetic companies believe that their products are already global.  
The access to international information within the companies already has reduced the distance between the countries.

Although there was no consensus, we can see again the language cultural barrier, and the issue related to proposition (P3) about difficulties in adapting products to the domestic market.

### **Question 4 – In your opinion, will this reality decrease the level of jobs?**

The majority, 62 percent, does not believe that the scenario of the problems mentioned (cultural, competitive, relationship, legislation, instability, adaptability, and unskilled employees) will decrease the level of jobs. Therefore, this conjoint of questions does not inhibit the entrepreneurial spirit (proposition (P2)), and it will not decrease the level of jobs, what is in consonance with Freire (1970) who discussed the Brazilian middle-class desire of becoming eminent as the upper class. This desire is so eccentric that the Brazilians do not see they have barriers to be overpassed. They know the scenario is not favorable, but they do not accept it, neither surrender in face of this. Among those who believe that this reality will decrease the level of jobs, they cited the following problems: low-skill of the Brazilian workers and the Brazil cost that raises the cost of production in the country. The first problem was presented when we discussed the large amount of not well-educated people, and not yet ready for the reality with no borders.

### **Question 5 – Does international competition influence the business strategy of your company?**

This question was not discussed in the literature review, but we believe that competition is an important issue for an entrepreneur to keep concerned. Despite of this, Question 2 of the interview has shown that competition is a trouble to be concern. Therefore, only 14 percent said that it did not; another 14% did not respond. For those who said yes, 72%, the main obstacles are:

1. The withholding of technology by foreign countries.
2. The race for innovation is more evident in the eyes of the Brazilian consumer market, which already takes hold of external innovation.
3. In addition to the external market, there is competition within the domestic market as well.

**Question 6- What opportunities are identified from the reality of the open market without borders?**

Along the Brazilian history, the borders were transposed, since the Treaty of Tordesillas was violated, when Brazilians started their persecution for gold, silver and diamonds, in the 17th century (Prado & Pellegrino, 2014). So, 35% of respondents have believed that the creation of more jobs and business expansion are opportunities brought by a market without borders. In addition, a greater flow of information and goods will create new needs and stimulate new entrepreneurs. However, 15% believe that there will be an opportunity for the development of poor countries, to where companies will tend to migrate in search of lower production costs. Continuous improvement (20%) will be required for the survival of the businesses, since contact with new technologies will instigate the field for innovation and products will have a shorter life cycle, if they do not adjust to the new needs. Another 30% believe that the exchange will be inevitable.

**Question 7 – What skills and knowledge are required for a globalized professional?**

With greater prominence, 28%, mentioned a "world knowledge", that is, to have a vision and agility to notice changes, know other countries and cultures, what is a little bit linked to cultural barriers and territorial, physical and geopolitical isolation, once we can see they have necessity of knowing new cultures, understanding other languages, and have this "world knowledge". Following with 24%, there was mention of a "desire to engage", which includes having respect for other cultures and being open to new ideas. No less important, for 21%, is to be bilingual. Flexibility appears in 17% of the responses, which presupposes the ability to mold to different opinions and not just accept them. Finally, 10% highlighted leadership.

**Question 8 – How do you define entrepreneurship?**

Many believe, that to entrepreneur, you need to own a business. Others define entrepreneurship as:

1. The art of making it happen.
2. Creating something innovative with the maximum of creativity.
3. The creation of business opportunities.
4. The ability to make the process work.
5. The identification of opportunities.
6. The ability to see new demands on the market and how best to meet them.

**Question 9- List, according to the degree of importance, the necessary characteristics for an entrepreneur, in the list of the 19 mentioned.**

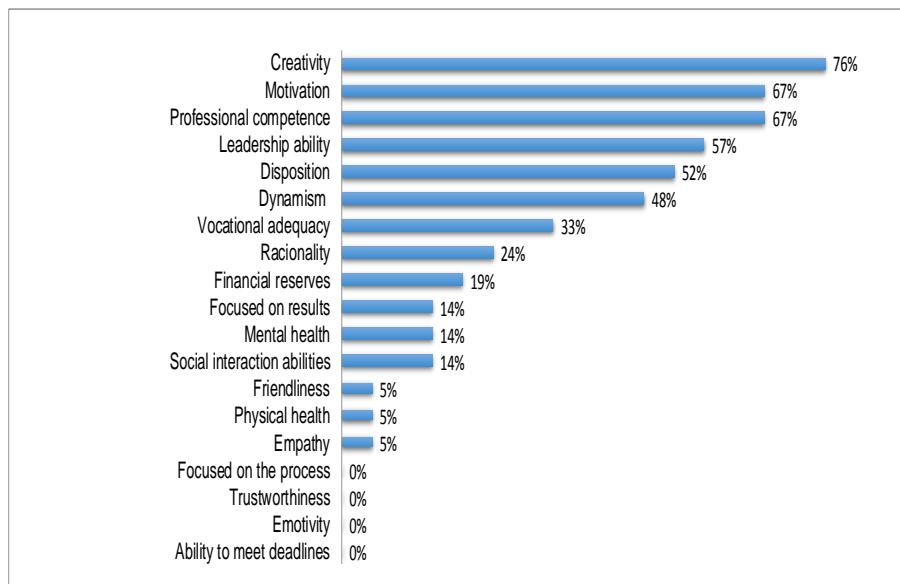
Entrepreneurs, who had taken part in the meeting mentioned earlier in this article, pointed out the features that we brought before the interviewees. As we can see in Figure 2, creativity,

motivation, professional competence, leadership ability and disposition are the top five most important features related to an entrepreneur, in our qualitative research, what is in accordance to Bandura's social learning theory (Bandura 1971), which states motivation is the link to retain a new knowledge and to repeat it. As a remark, creativity was pointed as main competence of an entrepreneur by Kuzaqui (2015).

It is important to highlight that Zacharakis (2013) proposes five skills related to the success of an entrepreneur: passion, commitment, energy, knowledge and network. For him, at the birth, the awareness is wide open towards to the unknown, and suddenly we are going to becoming better at predicting, as well as the world becomes more known. Besides, Bygrave & Zacharakis (2010: 182) state

*An entrepreneur needs to do research to identify and assess an opportunity. Intuition, personal expertise, and passion can take you only so far.*

**Figure 2**  
**CHARACTERISTICS OF AN ENTREPRENEUR**



On the other hand, new Brazilian managers do not match these top five Zacharakis' skills. As we can see, energy is related to dynamism, knowledge to professional competence, motivation and disposition are the skills closer to passion. Although, Brazilians are known for the ability of establishing network, it was not a skill related to the success of an entrepreneur (closer to social interaction abilities), as well the lack of commitment, once it was neither listed in the point of view of the new managers.

### The Quantitative Research

The questionnaire applied is the one that appears in Table 1. The 18 questions were written on a five-point Likert scale in order to measure the propositions that were referred to in the qualitative research. For example, questions 2 and 7 were constructed from the analysis of the issue of qualitative research question 2 – “What are the main problems that affect your area

of business?", in other words, the construction of the items was fully linked to the statements that were asked in the qualitative research.

The objective of this step was to pick up a pattern of answers that could include two or more items in order to understand the importance of the new concept formed by the combination of these items for the research problem of this study and to be able to list them in importance order. Analyses were performed through STATISTICA software, version 12.

The imputation of missing observations was performed by averaging the answers to each item. Questions Q2, Q7, Q8, Q11 and Q12 were purposely written in reverse order so that the factor analysis was able to identify the reversal of these concepts in the answers of the interviewees. For example, in Table 1, the factor identified by 2 brings a positive charge related to question Q3, (the bureaucracy and the Brazilian laws inhibit the entrepreneurial spirit), and a negative charge related to question Q8, (territorial, physical and geopolitical isolation of Brazil corroborates so that the no borders reality is not reached). This indicates that interviewees understood the Q8 had been reversed. The same conclusion was observed with other factors related to issues that appeared in reverse order. The practice of placing the items in reverse order on construction and measurement scales has been discussed by Costa (2011).

Variable	Factor Loadings (normalized Varimax) (Entrepreneurship research – 2014 Extraction: Principal components (Marked loadings are >.600000))						
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6	Factor 7
Q1	-0.10	0.15	0.01	-0.04	0.21	<b>0.60</b>	0.17
Q2	-0.06	0.03	0.06	0.20	0.29	<b>-0.78</b>	0.09
Q3	0.14	<b>0.71</b>	0.06	-0.25	-0.26	0.02	-0.01
Q4	0.51	-0.14	0.10	-0.16	-0.17	-0.31	0.36
Q5	<b>0.80</b>	0.06	-0.07	-0.07	0.23	-0.02	0.05
Q6	0.40	0.43	0.01	-0.13	-0.13	-0.28	-0.14
Q7	-0.05	0.03	-0.03	0.01	<b>-0.86</b>	0.02	0.11
Q8	0.19	<b>-0.64</b>	0.17	0.10	-0.21	-0.00	-0.01
Q9	0.10	-0.08	-0.41	0.52	-0.32	-0.10	0.05
Q10	<b>0.62</b>	-0.23	0.00	0.36	-0.21	-0.17	0.07
Q11	0.23	0.01	-0.05	0.07	-0.03	0.02	<b>0.76</b>
Q12	0.16	0.00	<b>0.67</b>	0.09	0.20	0.03	0.28
Q13	0.40	0.10	0.53	-0.04	-0.35	-0.05	0.01
Q14	-0.10	-0.06	0.11	<b>0.80</b>	0.09	-0.18	0.12
Q15	0.11	0.12	-0.27	-0.09	0.08	-0.08	<b>-0.72</b>
Q16	0.37	0.15	<b>-0.71</b>	0.02	0.07	0.08	0.03
Q17	-0.07	<b>0.63</b>	0.03	0.25	0.01	0.21	-0.10
Q18	0.22	0.41	0.10	0.41	0.02	0.37	-0.38
Expl.Var	1.98	1.81	1.56	1.46	1.41	1.41	1.56
Prp.Totl	0.11	0.10	0.09	0.08	0.08	0.08	0.09

In this way, we can see that the fundamental aspect listed by the examinees was the inability to manage people and adapt to the new cultures, as shown in Table 1 (11% of explanation of the first factor), because it is the factor with the greatest percentage of explanation among those investigated. This result reinforces our proposition (P3).

Another concept observed in the research, and quite relevant to the conclusion of the study, was the finding that students of management do not believe that territorial isolation is a

weakness for reaching a no borders reality. This result reinforces our proposition (P2). Furthermore, it is the bureaucracy and the Brazilian legislation that turn out to be obstacles for the spirit of entrepreneurship; nevertheless, the product and process upgrading need to be improved (10% of explanation). This result reinforces our proposition (P1).

Tied (9% of explanation) appears the difficulty in adapting foreign products and services to the domestic market, and the concern around the open market, since it does not create new jobs, but, unfortunately, jobs can decrease, in the domestic market, because Brazilian workers are less qualified than foreign workers are. Therefore, opening the frontiers does not bring benefits for emerging economies.

On the other hand, the analysis shows that the less important concepts that they referred to are there being no concern to the competition on the domestic market, albeit it is an obstacle for a new business. Neither the concern regarding the custom system (8% explanation for each one), since we have already lived in a globalized reality, where theoretically there are no borders between countries.

## CONCLUSIONS WITH DISCUSSION

Entrepreneurism is an important and enriching attitude, let it be from the point of view of personal satisfaction, or from a financial point of view, as has already been discussed by McLarty (2005), Vinten and Alcock (2004) or Thompson (1999).

This article sought to establish whether the young university students, soon to graduate from Administration courses, possess an entrepreneurial spirit and the maturity to work in companies or open their own business. As well, if they are able to confront the expectations of entrepreneurs with the vision of young people, in accordance to the studies of Littunen and Niittykangas (2010), McLarty (2005) or Vinten and Alcock (2004), for example. In this way, we researched a worldview, in a contextualized manner with other variables, involving the influence of globalization together with the perceptions for those already engaged in professional activities.

One was able to note that the examinees perceive more cultural issues relating to globalization than factors of economic order, the same was also observed by Bruton et al. (2009) in relation to the new presence of Latin America in the international scenario. They understand that part of the limitations of the business growth in face of globalization stems from the limitation of its employees, which is in agreement with the study by Littunen and Niittykangas (2010). This study emphasized that the lack of creativity and innovation over the years are some of the causes for the failure of many companies. On the other hand, they understand that the same globalization is related to the expansion of market opportunities and consequent economic and financial growth (Bygrave & Zacharakis, 2014). At this point, it is interesting to highlight the interconnection with the essence of international marketing, since emigration to foreign markets enables productivity gains, scale and revenue economy, however, considering that the cultural characteristics of each target market are respected (Bruton et al., 2009; Bygrave & Zacharakis, 2010).

Considering the necessary skills, most of the interviewees listed those of an endogenous origin, those coming from the human being, which is consistent with the conclusions of Littunen and Niittykangas (2010). They had conducted a longitudinal study to understand to what extent the features of endogenous origin of the entrepreneur are responsible for a company's growth in the first four years and compared them with the four following years, concluding that these characteristics are relevant only to the early success of the business. Finally, when requested for

a definition of entrepreneurship, it was noted that all the answers related to the achievement of results, which was singled out by Thompson (1999) as one of the key points of the entrepreneur, on a list of ten key points.

According to the Brazilian Central Bank (2015), Brazilian economy grew 0.2% in 2014 and with a perspective of average growth in 2015 close to zero, and negative in 2016, which is less than the index of the Latin America countries. To equalize with developed countries in the long term, Brazil should grow around 4% a year, noting that this growth should reflect aspects of the production and marketing of goods as well as services in the domestic market, aside from the intangible results of the entrepreneurial actions of the companies. Considering that the entrepreneurial activities have been growing in the country in recent years, it is understood that the Brazilian economy, despite considering intangible values, is growing far less than the 2.5 percent forecast.

Entrepreneurial mindset, then, becomes a necessary element so that society can obtain economic development through the private sector. It is a matter of corporate survival and not of a political order, which can bloom from the application of the concepts of teaching and education, as was highlighted in the study by Vinten and Alcock (2004).

A contribution of this research was to establish that the most relevant concepts for the young student of Business Administration, a possible entrepreneur, concerns the possible barriers that Brazilians suffer to be able to entrepreneur. As well, the inability to manage people and adapt to new markets, they also understand that the Brazilian bureaucracy is an obstacle for those who intend to open their own business. Also, the qualitative and the quantitative questionnaires were able to confirm our three propositions were true in this new open market reality.

Higher education institutions, through their courses, particularly Administration, can guide their students in the sense of evolving into a systemic thinking entrepreneur, making it possible for businesses to open up and develop so as to consolidate their financial base and bring significant contributions to the business and consequently to society. Thinking holistically, the contribution of entrepreneurship can become a real competitive advantage for the country.

## REFERENCES

- Adizes, I. 2004. *Gerenciando os ciclos de vida das organizações*. São Paulo: Prentice Hall.
- Banco Central do Brasil. (n.d.). Retrieved April 09, 2015, from <http://www.bcb.gov.br>.
- Bandura, A. 1971. *Social learning theory*. New York: General Learning Press.
- Brasil Júnior. (n.d.). Retrieved February 02, 2017, from <http://www.brasiljunior.org.br/>.
- Bruton, G. D., Ahlstrom, D. & Puky, T. 2009. Institutional differences and the development of entrepreneurial ventures: A comparison of the venture capital industries in Latin America and Asia. *Journal of International Business Studies*, 40(5), 762 – 778.
- Bygrave, W. D., & Zacharakis, A. 2010. *Entrepreneurship (Second Edition)*. Hoboken: John Wiley and Sons.
- Clarke, R, Chandra, R., & Machado, M. (2016). SMEs and social capital: exploring the Brazilian contexto. *European Business Review*, 28(1), 2-20.
- Costa, F. J. 2011. *Mensuração e desenvolvimento de escalas: aplicações em administração*. Rio de Janeiro: Editora Ciência Moderna.
- Dickson, P. H., Solomon, G. T., & Weaver, K. M. 2008. Entrepreneurial selection and success: does education matter?. *Journal of Small Business and Enterprise Development*. 15( 2), 239-258.
- Drucker, P. 2008. *Inovação e espírito empreendedor (Entrepreneurship). Práticas e princípios*. São Paulo: Cengage Learning.
- EY G20 *Entrepreneurship Barometer*. (n.d.). Retrieved October 07, 2015, from <http://www.ey.com/GL/en/Services/Strategic-Growth-Markets/The-EY-G20-Entrepreneurship-Barometer-2013>

- Fielding, N., & Schreier, M. 2001. Introduction: On the compatibility between qualitative and quantitative research methods, *Forum Qualitative Sozialforschung*, 2(1).
- Flick, U., Kardoff, E., & Steinke, I. 2005. *A Companion to Qualitative Research*, London: Sage.
- Freire, P. 1970. *Pedagogy of the oppressed*. New York: Continuum.
- Freire, P. 1989. *Educação como prática da liberdade*, Rio de Janeiro: Paz e Terra.
- Hair, J. F., Anderson, R. E., Tatham, R. L., Black, W. C., & Babin, B. J. 2009. *Análise Multivariada de Dados (Sixth Edition, in Portuguese)*. Porto Alegre: Bookman.
- Hietanen, L., & Järvi, T. (2015). Contextualizing entrepreneurial learning in basic and vocational education, *Journal of Enterprising Communities: People and Places in the Global Economy*, 9(1), 45 – 60.
- Kelle, U. 2001. Sociological Explanations between micro and macro and the integration of qualitative and quantitative methods. *Forum Qualitative Sozialforschung*, 2(1).
- Kuazaqui, E. (2015) A discussion on entrepreneurship, creativity and innovation applied to international marketing. *Economics Word*, 3, 54-70.
- Littunen, H., & Niittykangas, H. 2010. The rapid growth of young firms during various stages of entrepreneurship. *Journal of Small Business and Enterprise Development*, 17(1), 8 – 31.
- Macht, S. A. 2016. Putting “entrepreneurial finance education” on the map. Including social capital in the entrepreneurial finance curriculum. *Education + Training*, 58 (9), 984-1002.
- Matlay, H. 2008. The impact of entrepreneurship education on entrepreneurial outcomes. *Journal of Small Business and Enterprise Development*. 15(2), 382-396.
- Mclarty, R. 2005. Entrepreneurship among graduates: towards a measured response. *Journal of Management Development*, 24(3), 223 - 238.
- Mohamad, N., Lim, H. E., Yusof, N., & Soon, J. J. (2015). Estimating the effect of entrepreneur education on graduates’ intention to be entrepreneurs. *Education + Training*, 57 (8/9), 874-890.
- Nogueira, A.J. F. 2007. Relações de trabalho e internacionalização no Brasil. In A. Fleury & M. Fleury, M. T.(Eds.). *Internacionalização e os países emergentes*. São Paulo: Atlas.
- Portal do empreendedor - MEI. (n. d.). Retrieved February 02, 2017, from <http://www.portaldoeempreendedor.gov.br/mei-microempreendedor-individual>
- Portal do Sebrae. (2017). Abertura de Empresa. Retrieved February 02, 2017, from <http://www.sebrae.com.br/sites/PortalSebrae/sebraeaz/qual-o-caminho-para-abrir-minha-empresa,152ab9dbd5567410VgnVCM1000003b74010aRCRD>
- Prado, M. L., & Pellegrino, G. 2014. História da América Latina. São Paulo: Contexto.
- Receita Federal do Brasil. 2009. Retrieved February 02, 2017, from [http://www.receita.fazenda.gov.br/AutomaticoSRFSinot/2009/04/28/2009\\_04\\_28\\_17\\_01\\_07\\_989796198.html](http://www.receita.fazenda.gov.br/AutomaticoSRFSinot/2009/04/28/2009_04_28_17_01_07_989796198.html).
- Rifkin, J. 2004. *O fim dos empregos*. São Paulo: M. Books.
- Schumpeter, J.A. 1982. *Teoria do desenvolvimento econômico*. São Paulo: Abril.
- Solesvik, M. Z., Westhead, P., Matlay, H., & Parsyak, V. (2013). Entrepreneurial assets and mindsets Benefit from university entrepreneurship education investment. *Education + Training*, 55(8/9), 748-762.
- Statistica. (n.d.). Retrieved April 16, 2015, from <http://www.statsoft.com.br/>
- Thompson, J. L. 1999. The world of the entrepreneur – a new perspective. *Journal of Workplace Learning*, 11(6), 209 – 224.
- Vinten, G.; & Alcock, S. 2004. Entrepreneurship in education. *International Journal of Educational Management*, 18(3), 188 - 195.
- Wills, S. 2013. The Brazilian Spring: an explainer. Retrieved February 02, 2017, from [http://abcnews.go.com/ABC\\_Univision/brazilian-spring-explainer/story?id=19472387](http://abcnews.go.com/ABC_Univision/brazilian-spring-explainer/story?id=19472387).
- Zacharakis, A. (July, 2013). Entrepreneurial Thought and Action. Presented to the Babson Entrepreneurship Summer Program, Wellesley, USA.