Click Here to upgrade to Unlimited Pages and Expanded Features

## PRECONDITION FOR ENTREPRENEURSHIP: PTUAL CONSIDERATIONS

## Lauzikas, Mindaugas¹; Vaiginiene, Erika²; Miliute, Aiste³; Batuleviciute, Skaiste⁴; Rosinaite, Vikinta⁵

- <sup>1</sup> International Business School at Vilnius University. Email: Mindaugas.lauzikas@gmail.com
- <sup>2</sup> International Business School at Vilnius University. Email: erika.vaiginiene@tvm.vu.lt
- <sup>3</sup> International Business School at Vilnius University. Email: Aiste\_miliute@yahoo.com
- <sup>4</sup> International Business School at Vilnius University. Email: Skaiste.batuleviciute@gmail.com
- <sup>5</sup> International Business School at Vilnius University. Email: rosinaite@yahoo.com

**Acknowledgements**: Research is supported by Lithuanian Research Council and International Business School at Vilnius University

## **Abstract**

*Purpose:* Entrepreneurship of the country's population leads to innovations that create the added value in the market and contributes to a public welfare and the country's international competitiveness. Promotion of entrepreneurship is one of the most important strategic priorities of Lithuania. However, both strategic documents, Lithuanian economy development until 2015 and Lithuanian Innovation Strategy 2010-2020, indicate that there is the lack of entrepreneurship in Lithuania and there is no a proper business culture for the development of entrepreneurship. A relatively high proportion of the society is not proactive and is waiting for the governmental support for their business development. However, the recent Global Entrepreneurship Monitor (2011) data shows that Lithuania is among countries with a high level of intrapreneurship.

Inrapreneurship is a frequent analysis object within ta set of modern economy theories. Many representatives of the neoclassical theory scrutinize problems related to the relation between management of the rational decision making process and co-ordination of entrepreneurial activities, innovative ideas, the risk and uncertainty (Barreto, 1989). Business individuals are typically described as tolerating risk (Cantillon, 1755; Knight, 1921), successfully reaching a higher productivity via managing resources (Say, 1803) or coordinating innovative processes (Schumpeter, 1942).

The global researchers (Gartner, 1990; Stevenson & Jarillo, 1990; Pavia, 1991; Minniti & Bygrave, 1999; Shane & Venkataraman, 2000; Busenitz et al., 2003; Acs & Varga, 2005; Veciana, 2007 et al.) and the Lithuanian scholars (Stačiokas, 1995; Lydeka, 1996; Melnikas, 2001; Baršauskas, 2002; Strazdiene & Garalis, 2006; Kriščiūnas & Greblikaite, 2007; Duobiene & Pundziene, 2007 et al.) tackle entrepreneurship at three levels: personal, organizational and macro. The ingenious scientific literature analysis on entrepreneurship points at the fact that entrepreneurship is often analyzed at the organizational level: over the last decades there are more authors who examine entrepreneurship inside organizations (Pinchot, 1985; Kanter, 1988; Kao, 1991; Lumpkin and Dess, 1996; Crant, 2000; Shane, 2003; Lumpkin, 2007; Parker & Collins,

ISBN: 978-9963-711-07-9

ISBN: 978-9963-711-07-9



Click Here to upgrade to Unlimited Pages and Expanded Features

Your complimentary

use period has ended. Thank you for using PDF Complete.

ganizational entrepreneurship', 'Creating new businesses rship'. The last term of Intrapreneruship could be defined

as a specific business type which is related to employees' initiatives to start new business activities inside of organizations.

Sharma & Chrisman (1999) and Antoncic & Hisrich (2003) draw the separating line between intrapreneurship and organizational entrepreneurship. According to these authors, organizational entrepreneurship is analyzed at the organizational level and intrapreneurship at the personal level. Organizational entrepreneurship uses the decision-making process 'From Top to Bottom', to wit, implement business strategies oriented to employees' initiatives and efforts to apply novelties and develop new entrepreneurial ideas. Meanwhile, intrapreneurship is related to the decision-making process 'From Bottom to Top', in addition to proactive employees' initiatives to apply novelties and develop new entrepreneurial ideas.

Many scholars argue that the organizational culture plays a crucial role in the development of entrepreneurial activities. Therefore, it gets important to know whether intrapreneurs would maintain their intrapreneurs' features and motivation without supporting the organizational environment. Would they be able to become independent businessmen?

The **purpose** of the present work is to discuss the intrapreneurship phenomenon and distinguish features of entrepreneurship with the aim to create a conceptual model for the measurement of preconditions for intrapreneurs' conversion to entrepreneurs.

Practical Implications: In recent years both the Ministry of Economy and the Ministry of Education and Science of the Republic of Lithuania execute many programs enhancing entrepreneurship; however, there is still no system established for the measurement of effects of these programs. Thus, within the framework of the present project the occurring changes in entrepreneurship among Lithuanian citizens could be observed and relations of these changes to policies encouraging entrepreneurship in Lithuania examined. It will be possible to underline the main issues and possibilities in developing Lithuanian entrepreneurship and intrapreneurship activities as well as to position them in global markets. Based on the research results, recommendations will be proposed to foster entrepreneurship and intrapreneurship activities in Lithuania.

Keywords: Intrapreneurship; Entrepreneurship; Measurement