

# **The influence of human and relational capital on the rapid internationalization of firms: Comparative study between Spain and Chile**

*By Baier, H., Hormiga, E., Amorós, JE., Urbano, D.*

## **Abstract**

**Purpose** – The purpose of this paper is to compare the influence of human and relational capital of entrepreneurs from two economically different contexts on the rapid internationalization of their firms.

**Design/methodology/approach** – The study was developed using data collected from Global Entrepreneurship Monitor of Spain and Chile. Moreover, a logistic regression analysis is used to examine and compare the influence of some elements of human and relational capital of entrepreneurs on the likelihood that those can will rapidly internationalize their firms.

**Findings** – The results revealed that the Chilean entrepreneurs seem to rely more on their formal education or experience to rapidly internationalize their firms. By contrast, Spanish entrepreneurs tend to complement their formal education with their relational capital in order to carry out international entrepreneurial activities.

**Research limitations/implications** – The implications of this study are related to the role that public policies can play in promoting these kinds of entrepreneurial initiatives.

**Contribution/Value Added** – This paper presents several contributions. First, it advances the understanding of entrepreneurial internationalization in emerging economic contexts. Second, it provides a comparative study on entrepreneurial internationalization, which is considered the "crux" of IE. Finally, this comparative study helps to understand the influence of different economic context on entrepreneurial internationalization.

**Keywords:** *International Entrepreneurship, Rapid Internationalization, Human Capital, Relational Capital, Entrepreneurial Characteristics*

## 1. Introduction

Despite the limitations and difficulties involved in setting up a firm, some of them manage to internationalise practically since its inception, competing with larger, established companies who benefit from more experience and greater resources. The increase and universality of these kinds of firms has managed to capture the attention of governments, the media, and international institutions and researchers, becoming the focus of a new field of research known as *International Entrepreneurship* (hereinafter IE) (Oviatt & McDougall 2005).

The IE literature has highlighted the important role of the entrepreneurs and their networks to explain why firms engage in a strategy of rapid internationalization (Oviatt & McDougall 1994; Coviello 2006; Kiss & Danis 2008; Musteen et al. 2010; Oviatt & McDougall 2005; Zucchella et al. 2007; Andersson 2000; Robson et al. 2012). On these lines, both human and relational capital have often been frequently associated with the success of new firms, since these kinds of intangible assets allow entrepreneurs to exploit the entrepreneurial opportunities even those outside national boundaries (Oviatt & McDougall 1994; Oviatt & McDougall 2005; Autio 2005; Manolova et al. 2002). However, despite the key role of human and relational capital, it is also true that these assets can differently influence the entrepreneurship depending to the country where these entrepreneurial activities are carried out (Rugman et al. 2011). These differences have caught the attention of many researchers in the field of entrepreneurship, who have pointed out that the determinants of entrepreneurship differs strongly across countries, not only because of differences in levels of economic development but also because of differences in demographic, cultural and institutional characteristics (Freytag & Thurik 2007). However, these conclusions are not generalizable for more ambitious ventures, such as those with an international orientation. In this sense, the literature analyzing the determinants of rapid internationalization has focused mainly on developed countries, paying little attention to the differences that may arise between countries of different levels of development.

One type of research that may help examine these differences are international comparative studies. Studies comparing the entrepreneurial internationalization among countries were suggested by Jones et al. (2011) as an important branch of IE literature. However, despite the increasing availability of international data that could promote their development, these studies remain scarce (Gray & Farminer 2014). On the other hand, most of the comparative studies have been conducted among developed economies, and practically do not involve emerging economies such as those in Latin America (see, Jones et al. 2011). In this sense, one of the few

comparative studies that have included countries of these economies is Federico et al. (2009). However, all the countries involved in this study are analyzed from a regional perspective, without making a specific comparison between two different countries. Therefore, this study has the objective of contrasting the influence of human and relational capital of the entrepreneurs of two economically different countries on the rapid internationalization of their ventures.

To carry out this study, we compare the human and relational capital of entrepreneurs in Chile, considered an emerging Latin American economy, and those of Spain, a developed economy in Europe. We have chosen these countries because despite their similarities in the implementation of some development policies, they have evident economic, institutional and socio cultural differences. On the other hand, our results obtained from a binary logistic regression have helped to update some studies carried out in this line, such as Federico et al. (2009), and to organize a modest research agenda in the field of entrepreneurial internationalization. The reasons to carry out this comparative study are as follows. First, we respond to the calls to develop comparative studies of entrepreneurial internationalization, which were considered the "crux" of IE research by Jones et al. (2011). Secondly, because these studies have been developed mainly among developed countries. In fact, a review of all the comparative studies included in Jones' et al. (2011) review, confirm that Latin American economies have been absent from these comparisons. Therefore, this study aims to contribute to the literature of entrepreneurial internationalization following the same line of study from Federico et al. (2009), but from a national perspective, focusing on disaggregated data from two economically different countries, one developed as Spain and another emerging as Chile. Finally, our study has allowed us to organize a modest research agenda in this field.

The structure of this article is as follows: Firstly, two sections that relate both human and relational capital to rapid internationalization compose a theoretical framework. The hypotheses are also presented in them. Secondly, the methodology is presented along with the variables included in the analysis. Thirdly, the key empirical results of the study are discussed, focusing on the differences between both economies. Finally, the conclusions and implications of the study are discussed.

## **2. Theoretical framework**

### **2.1. Human Capital and Rapid Internationalization**

The literature has referred to entrepreneur's human capital as general knowledge and skills acquired through education and work experience (Guerrero & Peña-Legazkue 2013). These assets have been considered by the researchers of the entrepreneurial internationalization as factors that positively influence in the rapid internationalization of the companies (Ughetto 2016). For example, Zahra (2005) suggests that "...the genesis of the rapidly internationalization firms competitive advantages appears to lie in their founders' cognitions that allow them to quickly spot opportunities in international markets and develop new ways to exploit them". On these lines, Freeman and Cavusgil (2007) point out that founders have a considerable influence on their organisations as a direct result of their attitudes, decisions, values and viewpoints. They also highlight that an entrepreneurial attitude, alongside an international mentality, is an important requisite for the international expansion of the firm.

Thus, we will put focus on some elements of human capital related to formal education, the experience as entrepreneur, and their perception of risk that can have an influence on the rapid internationalization of a firm.

#### ***Formal Education***

The importance of education has been frequently studied with relatively consistent empirical results (Evald et al. 2011). Previous research suggests that individuals' levels of education are related to their knowledge, skills and capacity to solve problems and their confidence in their ability to do so. The entrepreneurs with a university education will therefore have higher growth expectations and could also be more aware of business opportunities in foreign markets (Kundu & Katz 2003; Andersson & Evers 2015).

McDougall *et al.* (1994) indicated that the skills gained through education impact on the techniques needed to develop a competitive advantage and operate successfully in international markets. Since then, a growing number of researchers have found correlations, for example, between business people's levels of education and firms' levels of exports (Robson et al. 2012). Likewise, Ganotakis and Love (2012) state that new firms with founders who have high levels of business studies have a greater chance of being market-oriented and are therefore more committed to developing export markets. In summary, it is expected that the level of formal

education held by entrepreneurs will play a relevant role in the internationalization of new firms. This leads us to advance the following hypothesis:

***Hypothesis 1a:*** *Entrepreneurs with high levels of formal education are more likely to rapidly internationalize their firm compared to those without such levels.*

### ***Entrepreneurial Experience***

Entrepreneurs with entrepreneurial experience have distinct advantages compared to those without it (Sapienza et al. 2006). For example, prior experience enables them to assimilate the know-how which is implicit in business processes (Ucbasaran et al. 2008). In this way, business people who manage to detect and exploit good opportunities may be applying the knowledge gained through past experiences. On the same lines, other authors state that the knowledge accumulated from past entrepreneurial experiences may promote the perceptions and/or generation of entrepreneurial opportunities in international markets (Ucbasaran et al. 2003; Wright et al. 2008). The entrepreneurial experiences could therefore reduce any potential negative attitudes towards internationalization, helping to generate more realistic expectations about the firm's development and growth (Shrader et al. 2000). Finally, the literature indicates that previous management experience is one of the key factors that distinguishes firms that internationalize early from those who do not (Westhead et al. 2001). Thus, based on these arguments, we advance the following hypothesis:

***Hypothesis 1b:*** *Entrepreneurs with previous entrepreneurial experience are more likely to rapidly internationalize their firm compared to those without.*

### ***Risk Perception***

Although all firms are exposed to factors that could prompt them to internationalize, not all firms decide to do so. This is associated with the fact that international operations are perceived as more risky compared to domestic operations (Acedo & Florin 2006). In this sense, risk perception has been considered a key factor in explanations of entrepreneurial internationalization and therefore it is an area of research that has received much attention (Liesch et al. 2011).

The risk-seeking was viewed as one of the defining characteristics of international entrepreneurship in McDougall and Oviatt's (2000) paper. From this perspective, it is assumed

that entrepreneurs who internationalize their firms early must accept situations with significant degrees of uncertainty, since they have managed to expand to international markets without having first achieved a level of maturity in their own domestic market. This is supported by Knight and Cavusgil's study (Knight & Cavusgil 1996), which found that directors of New International Firms presented greater levels of risk tolerance in ambiguous situations, similar to those found in the processes of rapid internationalization. In this way, we expect entrepreneurs with higher tolerance to risk and uncertain situations (and with less fear of failure) to be more likely to internationalize their firm early, and we thus advance the following hypothesis:

***Hypothesis 1c:** Entrepreneurs with a lower fear of failure are more likely to rapidly internationalize their firm compared to those with greater levels.*

## **2.2. Relational Capital and Rapid Internationalization**

The internationalization of firms has traditionally been seen as a function of relationships developed between firms across national borders (Johanson & Mattson 1988). Network Theory indicates that firms enter into markets where they have contacts with other firms, thus benefitting mutually from a highly internationalized relational capital (Johanson and Vahlne 2006). Most research has focused on interfirm networking (Mesquita & Lazzarini, 2008), despite of the fact that the exploration and exploitation of opportunities is carried out by the social interactions of individuals and not firms (Zhou et al. 2007; Loane & Bell 2006). In this sense, Björkman and Kock (1995) suggested that interpersonal networks are produced between people who are linked through their interactions in specific social contexts, where they are able to carry out exchanges of knowledge and goods. While the literature demonstrates in-depth research into the influence of international relations on the propensity to internationalize firms (Tolstoy 2014), entrepreneurs' relational capital represents an important intangible asset for internationalization, even if their network is not international (Andersson et al. 2013).

### ***Contact with other Entrepreneurs***

According to Davidsson and Honig (2003), the individuals' interpersonal networks represent key links that influence the strategic development of new and small firms. These networks provide resources that, apart from contributing to the firm's knowledge base, also help business people recognise, value and exploit opportunities in international markets as well as to face the risks and challenges associated with the decisions to enter new markets (Johanson & Vahlne

2006; Slotte-Kock & Coviello 2010). Some authors also point out that interpersonal relations can provide with resources and key information about starting to compete in foreign markets (Zahra et al. 2000; Sharma & Blomstermo 2003; Nowiński & Rialp 2016). Moreover, they can help to gain credibility and legitimacy in international markets (Loane & Bell 2006). The arguments provided above thus lead us to believe that entrepreneurs who, through their interpersonal networks, know other entrepreneurs, are more likely to internationalize their firms. Specifically:

***Hypothesis 2a:*** *Entrepreneurs who are in contact with other entrepreneurs are more likely to rapidly internationalize their firm compared to those who are not.*

### ***Entrepreneur Teams***

Previous research has shown the important role played by entrepreneurial teams in the process of creating new firms (Muñoz-Bullon et al. 2015). In fact, some authors emphasise that the links on the basis of which teams are created enable a significant number of new firms to be started up (Loane et al. 2007). Entrepreneurial teams thus provide their firms with different skills, as well as bringing with them networks and more extensive personal contacts (Milanov & Fernhaber 2014). It is therefore likely that their influence will be even greater in firms who internationalize early and which often lack organisational resources (Vyakarnam & Handelberg 2005). These arguments lead us to consider this dimension as a special item that links the formation and management of entrepreneurial teams based on entrepreneurs' interpersonal networks. As a result of this, we surmise that entrepreneurs who have set up their firm alongside other entrepreneurs (partners) will be more likely to internationalize their firm early. We thus advance the following hypothesis:

***Hypothesis 2b:*** *Entrepreneurs who have set up their firm with partners are more likely to rapidly internationalize their firm compared to those that have done it alone.*

### ***Participation as a Business Angel***

The importance of private investors or business angels is widely known for being the main source of funding to meet the capital shortfall of the high growth start-ups (Amorós et al. 2008; Freear et al. 1995). However, little is known about individuals acting as business angels. According to De Clercq and Arenius (2006), acting as a business angel means knowing and relating with other entrepreneurs, even when the investment implies a mere financial relation.

The experience also allows for the exchange of information and ideas with entrepreneurs (Larson & Starr, 1993) which will in all probability enable them to perceive new opportunities and to believe that participating in this kind of firm is feasible (Moen et al. 2008). Therefore, entrepreneurs who have acted previously as informal investors will inevitably interact with other entrepreneurs, generating highly valuable relational capital for the firm. Based on the above, and from the perspective of business networks, we believe that:

***Hypothesis 2c:** Entrepreneurs who have related with other entrepreneurs as business angels are more likely to rapidly internationalize their firm compared to those who are not.*

### **3. Research Methodology**

#### **3.1. Context of research**

This study includes a comparative analysis between entrepreneurs from two economically different countries: Spain, a developed European economy, and Chile, an emerging Latin American economy. The objective of this study is to compare the influence of entrepreneurs' human and relational capital on the rapid internationalization of their companies. We focus on these economies because studies have suggested that intangible assets differ between emerging and developed economies (Estrin et al., 2016; Marvel et al., 2016). In addition, comparative studies involving international entrepreneurs from Latin American economies are scarce. The recent contemporary histories of Spain and Chile have certain similarities. For example, both countries have been governed by dictatorial military regimes (Spain, 1939-1975, and Chile, 1973–1990) and, since democratization, both countries have implemented similar economic policies. For example, Spain has become a fairly internationalized economy because of its policies of economic openness and incorporation into the European Union's community project. Since 2009, Spain's exports have increased and currently account for 32 percent of its GDP (World Bank, 2017). Chile has developed a strong export trend, is currently a world leader in trade policy and has some of the highest levels of openness and international trade



(Felzensztein et al., 2015). However, despite these similarities, Spain and Chile differ markedly in their economic indicators. According to the World Bank (2013), Spain's GDP was US\$1,369bn and Chile's GDP was US\$277bn. Furthermore, Spain had an average per capita income of approximately US\$29,370 in 2013, which is practically double Chile's average income in the same year (World Bank, 2013). Since the end of the 1990s, both Spain and Chile implemented public policies and private initiatives to encourage the emergence of ventures with high growth potential. From this perspective, Chile is characterized as an entrepreneurial country with a higher rate of entrepreneurial activity than Spain and other OECD countries. According to Amorós and Bosma (2013), 24.3 percent of Chile's adult population is involved in some form of early-stage entrepreneurial activity compared to only 5.2 percent of Spain's adult population. Furthermore, entrepreneurs in these countries differ in terms of the international orientation of their companies. The same authors note that more than 80 percent of Chilean entrepreneurs have at least one client abroad but that only a quarter of Spanish entrepreneurs have at least one client abroad (Amorós and Bosma, 2013).

In terms of human capital, Spain has approximately 46m of inhabitants vs 18 million in Chile, representing 38 percent of the Spanish population. According to World Economic Forum (2013), which explores the contributors and inhibitors in the development of countries' human capital, Spain ranks 29 among 122 countries and is well known for its good health system and the well-being of its human capital. Conversely, Chile occupies the 36th position, which is the highest ranking of Latin American countries, and it is well known for having an environment that promotes a higher yield of its human capital. The report also indicates that Spain is far superior to Chile in regards to the education of its human capital.

This difference could be explained by considering the public expenditures per capita on education; Spain spends 87 percent more than Chile. Finally, although specific data related to

relational capital do not exist, some authors indicate that, in general, Latin American economies lack certain bases of confidence that are necessary to build broader and better quality networks. Kantis, Federico and Ibarra García (2014) note that Latin American entrepreneurs' networks are generally limited to their close social circles that include family and friends. Therefore, based on this background, the following sections focus on characterizing the sample of entrepreneurs and explain the methodology that is used in this study.

### **3.2. Sample characteristics**

This study used the Spanish and Chilean Global Entrepreneurship Monitor database (hereinafter GEM) for 2013. In both countries, the sample includes nascent entrepreneurs and new business owners. A nascent entrepreneur is an individual who has committed resources to start a business for which they expect to be the owner. A new entrepreneur is an owner who directs a company and has received a salary for more than three months and less than 42 months. GEM data allow us to identify entrepreneurs who have engaged in international activities practically from the outset, which aligns with prior studies (Oviatt and McDougall, 1994). The Chilean sample includes 941 entrepreneurs who are, on average, 43 years old; 62 percent are men. In addition, 85.6 percent of the sample declared that their international sales are no greater than 25 percent of total sales and 14.3 percent claimed that more than 25 percent of their customers were located outside of the country. Likewise, the Spanish sample includes 2,484 Spanish entrepreneurs who are, on average, 44 years old; 61 percent are men. In addition, 93.7 percent of the Spanish sample declared that they did not have enough clients abroad, and 6.3 percent reported that more than 25 percent of their clients were based abroad.

### 3.3. Variables

#### *Dependent Variable: International New Ventures*

The dependent variable of this study is the likelihood of the entrepreneur internationalizing their firm rapidly (INVs as they are defined in the literature). Even though there is no clear agreement on what criteria should be used to identify the international new ventures (Jones et al. 2011), we followed the general research line that considers two parameters: speed and percentage of firm sales generated by exports (Federico et al. 2009). Thus, regarding the percentage of sales generated through exports the literature generally recognises to the INVs as those that export at least 25% of the business' total turnover. Concerning the speed of internationalization, no consensus exists regarding the number of years between the creation of the firm and its internationalization (Acedo & Jones 2007), as a result of which the criterion oscillates from two years after the start of business activities (Rennie 1993; Knight & Cavusgil, 1996), three years (Madsen & Servais 1997; Zucchella, Palamara, & Denicolai, 2007), six years (Shrader et al. 2000; Zahra & Garvis 2000), eight years (McDougall & Oviatt, 1996) and up to ten years (Milanov & Fernhaber, 2009). However, the internationalization of the firm tends to occur within the first six years for it to be considered a INVs (Loane et al. 2007). In light of the observations outlined above, we have established a working definition of the INVs as one that has exported at least 25% of its total sales before it has been in operation for 42 months. Consequently, a dummy dependent variable was created in which the value 0 was assigned to entrepreneurs who exported less than 25% before the firm had been in operation for 42 months, and a score of 1 for entrepreneurs with more than 25% of export sales.

#### *Independent Variables*

##### *Human Capital*

The *level of formal education* of the entrepreneurs was evaluated with a fictitious variable that discriminates between entrepreneurs who obtained university degrees and those who did not (1 for entrepreneurs with university degrees and 0 for those with no university education). The variable used to evaluate previous *entrepreneurial experience* is a binary variable that was obtained by asking those surveyed if they had participated in another firm in the last 12 months (1 for entrepreneurs with entrepreneurial experience and 0 for those without it). The *perception*

*of risk* variable identified if fear of failure in those surveyed had represented an obstacle in the way of setting up the firm (1 for entrepreneurs with no fear of failure and 0 for those who stated the opposite).

### *Relational Capital*

*Knowing other entrepreneurs* was evaluated using a binary variable that identified if those surveyed knew other entrepreneurs who had started their own business during the last 24 months (1 for those who know other entrepreneurs and 0 for those who did not.). The variable related to *entrepreneurial team* was created on the basis of a fictitious variable that discriminates between those entrepreneurs who have set up a firm on their own and those who have done it with other entrepreneurs (1 for entrepreneurial teams and 0 for solitary entrepreneurs). Finally, the variable *business angel* is a binary variable that determined if the entrepreneur had been in contact with other entrepreneurs in the capacity of business angel in the last three years (1 for entrepreneurs who had acted as business angel and 0 for those who had not).

### *Control Variables*

A series of variables were included in the model to control their possible effect on the rapid internationalization of firms. Among these we included the *age* of the entrepreneur, their *gender*, their *growth expectations* and the degree of *novelty of the product or service* that the firm commercialises. The age of the entrepreneur is a continuous variable that takes in values between 18 and 64 years old. Similarly, the square of these values was included to capture potential non-linear relations (Hormiga & Bolivar-Cruz 2013). The gender variable was also included bearing in mind that this may also influence the rapid internationalization of firms (Jones & McDonald 2011). On the other hand, the literature indicates that rapidly internationalizing firms are notably growth-oriented (Spence et al. 2011), are included therefore the growth expectations of individuals represented in the entrepreneurs' intentions to create new jobs over the next five years. Finally, the entrepreneurs' perceptions of the novelty of their products have also been considered. We consider this variable to be a bridge between human capital and business internationalization since innovation processes are not generated by accident but, rather, are dependent on the entrepreneurs' decisions. On the other hand, we are also supported here by the literature that links the different dimensions of innovation with exports (Basile 2001).

Finally, Table 1 details all the analyzed variables and their respective measurement specifications.

### 3.4. Estimation Model

A logistic regression model with maximum likelihood estimation (Greene, 2003) was used to identify the effects that are caused by the different dimensions of the independent variables on our dependent variable. Similarly, to identify any possible differences that could be obtained in the comparison between the two different contexts of Spain and Chile, two different models were estimated in accordance with the following empirical model:

Likelihood of INVs

$$\begin{aligned}
&= \hat{\beta}_0 + \hat{\beta}_1 \text{Level Educ} + \hat{\beta}_2 \text{Entrepreneurial Experience} \\
&+ \hat{\beta}_3 \text{Risk Perception} + \hat{\beta}_4 \text{Contact with entrepreneurs} \\
&+ \hat{\beta}_5 \text{Business Angel} + \hat{\beta}_6 \text{Entrepreneurial Teams} \\
&+ \sum (\hat{\beta}_i \text{Control Variable}_i) + \varepsilon
\end{aligned}$$

**Table 1. Description of variables from GEM data**

	Variable	Question	Measurement
<b>Dependent Variable</b>			
Rapid Internationalization Firms (INVs)	INVs	What proportion of your customers are from outside your country?	0. Less than 25% export 1. More than 25% export
<b>Independent Variables</b>			
Entrepreneur educational level	Education	GEM education categories	0. Non university degree 1. With university degree or higher
Entrepreneurial Experience	Experience	Have you, in the past 12 months, sold, shut down, discontinued or quit a business you owned?	0. Non entrepreneurial experience 1. Entrepreneurial experience
Risk Perception	Risk	Would fear of failure prevent you from starting a business?	0. Fear of Failure 1. Non Fear of Failure
Contact with Entrepreneurs	Contact_E	Do you know someone personally who started a business in the past 2 years?	0. Does not know Entrepreneurs 1. He knows Entrepreneurs
Entrepreneurial Team	Teams	Will you personally own all, part, or none of this business?	0. He is the only owner 1. He owns a part
Business Angel	BusAng	Have you, in the past three years, personally provided funds for a new business started by someone else?	0. Not Business Angel 1. Entrepreneurs Business Angel
<b>Control Variables</b>			
Perception of novelty of product	Innovation	How many of your potential customers consider your product or service as new and innovative?	0. None 1. Some 2. All
Gender	Gender		0. Female 1. Male
Entrepreneur growth expectation	Growth	Jobs to be created over the next 5 years	

#### 4. Results

Tables II and III provide the descriptive statistics and the correlation matrix of the variables for the data from Spain and Chile, respectively. One limitation could be caused by multicollinearity. However, in our case, multicollinearity does not seem to be a problem because none of the correlations appear to be high (Hair et al., 2006). Furthermore, the values that correspond to the variance inflation factor of the independent variables are less than 10 in all cases. This result aligns with the rule proposed by Hair et al. (2010), and it can be confirmed that there is no collinearity between the variables. The results for both models (Spain and Chile) are presented in Table IV. The  $\chi^2$  test of the models is significant ( $p < 0.01$ ). The Hosmer–Lemeshow test, which measures the correspondence between the real value and the predicted dependent variable, is not significant in any of the models and indicates a good fit. In addition, other results that indicate a good fit of the models are provided ( $-2 \log$  likelihood, variance test using the Nagelkerke Pseudo- $R^2$  statistic and the percentage of cases selected). Therefore, the results show that both models are capable of predicting the influence of Spanish and Chilean entrepreneurs' human and relational capital on the rapid internationalization of their firms.

Table IV shows that significant differences exist in the estimating factor of both models.

In the case of Spain, the only significant variable of human capital is the entrepreneur's level

**Table 2. Descriptive Statistics and Correlation Matrix - Spain**

	Mean	SD	1	2	3	4	5	6	7	8	9	10	11
1. Dependent Variable (INVs=1)	.06	.242	1										
2. Entrepreneur educational level	.34	.474	.067**	1									
3. Entrepreneurial Experience	.04	.189	.023	.020	1								
4. Risk Perception	.63	.484	.028	.105**	.027	1							
5. Contact with Entrepreneurs	.50	.500	.060**	.163**	.062**	.072**	1						
6. Entrepreneurial Team	.37	.484	.098**	.039*	.006	.022	.039*	.1					
7. Business Angel	.05	.225	.068**	.053**	.069**	.019	.112**	.035*	1				
8. Perception on novelty of product	.25	.566	.096**	.135**	.009	.024	.110**	.039*	.014	1			
9. Entrepreneur Gender	.61	.487	.078**	-.077**	.059**	.075**	.016	.051**	-.068**	-.038*	1		
10. Entrepreneur Age	44.36	10.402	-.038*	-.163**	-.008	-.035*	-.199**	-.006	-.057**	-.128**	.097**	1	
11. Entrepreneur growth expectation	5.92	56.182	.157**	.047*	.010	.032	.004	.016	.080**	.031	.041*	.011	1

\*\* Significant at .01 level; \* Significant at .05 level

**Table 3. Descriptive Statistics and Correlation Matrix - Chile**

	Mean	SD	1	2	3	4	5	6	7	8	9	10	11
1. Dependent Variable (INVs=1)	.13	.336	1										
2. Entrepreneur educational level	.30	.493	.087**	1									
3. Entrepreneurial Experience	.12	.323	.088**	.107**	1								
4. Risk Perception	.83	.374	.088**	-.031	.058	1							
5. Contact with Entrepreneurs	.67	.471	.057	.190**	.064*	.037	1						
6. Entrepreneurial Team	.35	.476	.066*	.169**	.027	-.031	.063*	1					
7. Business Angel	.22	.415	.039	.073*	.064*	.060*	.137**	.060*	1				
8. Perception on novelty of product	1.40	.674	.114*	-.015	.042	.141**	.054	-.038	-.031	1			
9. Entrepreneur Gender	.62	.486	.057	.167**	.028	-.048	.013	.113**	.074*	-.092**	1		
10. Entrepreneur Age	43.22	11.413	.001	-.117**	.015	-.028	-.156**	-.093**	-.128**	-.020	.026	1	
11. Entrepreneur growth expectation	10.69	29.577	.162**	.077*	.049	.060	.046	.090**	.085**	.034	.052	-.041	1

\*\* Significant at .01 level; \* Significant at .05 level



of formal education ( $\beta = 0.371$ ;  $p < 0.05$ ). This supports H1a for the sample of Spanish entrepreneurs. However, no relations were found for previous experience ( $\beta = 0.008$ ;  $p > 0.1$ ) or for the entrepreneurs' risk perception ( $\beta = 0.057$ ;  $p > 0.1$ ). This result implies that no empirical evidence is found to support H1b and H1c in the case of Spain. In the case of Chile, the results illustrated various differences. The level of formal education ( $\beta = 0.420$ ;  $p < 0.05$ ) and risk perception ( $\beta = 0.856$ ;  $p < 0.05$ ) indicate a significant and positive relation with the rapid internationalization of firms, which implies that H1a and H1c are supported in the case of Chile. Furthermore, the results indicate that entrepreneurial experience has a significant relation, at 10 percent ( $p < 0.1$ ). This result may suggest that there is empirical evidence to support H1b.

In regards to relational capital, in the case of Spain, positive and significant relations were found between entrepreneurs' networks ( $\beta = 0.368$ ;  $p < 0.05$ ), entrepreneurial teams ( $\beta = 0.557$ ;  $p < 0.05$ ), and participation as a business angel ( $\beta = 0.673$ ;  $p < 0.05$ ) and the likelihood of the firm's rapid internationalization. This result implies that for Spanish entrepreneurs, H2a, H2b and H2c are supported. In contrast, for Chilean entrepreneurs, no positive relation existed between any of the relational capital variables and early internationalization, thus rejecting H2a, H2b and H2c in the Chilean context.

The control variables, relative to the perception of novelty of the product, were significant in the models for both Spain and Chile. In both models, this is interpreted as "the lower the degree of novelty of the product and services offered, the less the tendency towards rapid internationalization." For the gender variable, Spanish men show a greater tendency for rapid internationalization. For Chile, this variable does not indicate concrete results. Conversely, the

age is not significant, although age has a negative sign in the case of Chile. Finally, the variable that represents the growth expectations of the entrepreneurs is significant for both countries. This result is interpreted as “the greater the expectations of entrepreneurs’ growth, the greater the tendency towards rapid internationalization.”

Table V shows a summarized version of the primary empirical results of this study.

**Table 4. Results of the Logistic Regression Analysis for rapid internationalizing firms (INVs) – Spain vs. Chile**

	MODEL I: SPAIN					MODEL II: CHILE				
	Dependent variable: 1= INVs; 0=Non-INVs					Dependent Variable: 1= INVs; 0=Non-INVs				
	$\beta$	S.E	Wald	Sig.	Exp ( $\beta$ )	$\beta$	S.E	Wald	Sig.	Exp ( $\beta$ )
<b>Independent variables</b>										
<i>Human Capital</i>										
Level of formal educational level (1=University Degree) (H1a)	.371	.184	4.060	.044**	1.449	.420	.213	3.880	.049**	1.522
Entrepreneurial Experience (1=Ent. Experience) (H1b)	.008	.390	.000	.983	1.008	.454	.253	3.222	.073*	1.574
Risk Perception (1=Non Fear of Failure) (H1c)	.057	.186	.094	.759	1.059	.856	.347	6.068	.014**	2.353
<i>Relational Capital</i>										
Entrepreneur's networks (1=Contact with entrepreneurs) (H2a)	.368	.185	3.937	.047**	1.444	.190	.220	.742	.389	1.209
Entrepreneurial Team (1=Entrepreneurial team) (H2b)	.557	.174	10.259	.001**	1.745	.241	.201	1.441	.230	1.273
Business Angel (1=Business Angel rol) (H2c)	.673	.272	6.131	.013**	1.961	.117	.222	.279	.597	1.124
<b>Control variables</b>										
Perception of novelty of product			21.226	.000***				8.354	.015**	
New for some customers	.747	.222	11.333	.001**	2.112	.490	.462	1.126	.289	1.632
New for all customers	0.997	.262	14.492	.000***	2.710	.958	.446	4.605	.032**	2.606
Entrepreneur Gender (1=male)	.791	.200	15.678	.000***	2.205	.254	.210	1.462	.227	1.290
Entrepreneur Age	-.005	.008	.419	.517	.995	.013	.009	2.167	.141	1.013
Entrepreneur growth expectation	.010	.003	12.782	.000***	1.011	.010	.003	8.086	.004**	1.010
Constant	-4.059	0.470	74.470	.000***	.017	-4.655	0.691	45.392	.000**	.010
<b>Statistic Information</b>										
-2 log likelihood			1058.7					729.04		
$\chi^2$			112.2***					53.93***		
(df)			(11)					(11)		
Nagelkerke Pseudo-R <sup>2</sup>			.117					.098		
Overall predicted accuracy %			93.6					85.5		
Nº Observations			2484					941		

\*\*\*Significant at the 0.01 level; \*\*Significant at the 0.05 level; \*Significant at the 0.10 level -- Perception on novelty of product (Nobody regards it as novelty = reference category)

**Table 5. Summary of results**

	Hypothesis	Variables	Impact	
			Spain	Chile
<b>Human Capital</b>	<b>Hypothesis 1a.</b> Entrepreneurs with high levels of formal education are more likely to rapidly internationalize their firm compared to those without such levels.	Level of Formal Education	Positive	Positive
	<b>Hypothesis 1b.</b> Entrepreneurs with previous entrepreneurial experience are more likely to rapidly internationalize their firm compared to those without.	Entrepreneurial Experience	Not significant	Partly significant
	<b>Hypothesis 1c.</b> Entrepreneurs with a lower fear of failure are more likely to rapidly internationalize their firm compared to those with greater levels.	Risk perception	Not significant	Positive
<b>Relational Capital</b>	<b>Hypothesis 2a.</b> Entrepreneurs who are in contact with other entrepreneurs are more likely to rapidly internationalize their firm compared to those who are not.	Contact with entrepreneurs	Positive	Not significant
	<b>Hypothesis 2b.</b> Entrepreneurs who have set up their firm with partners are more likely to rapidly internationalize their firm compared to those that have done it alone.	Entrepreneur Teams	Positive	Not significant
	<b>Hypothesis 2c.</b> Entrepreneurs who have related with other entrepreneurs as business angels are more likely to rapidly internationalize their firm compared to those who are not.	Business Angel	Positive	Not significant

Source: Own Elaboration

## 5. Discussion and Conclusions

The main objective of this study has been to contrast the influence of entrepreneurs' human and relational capital on the likelihood of a rapid internationalization of their firms in two distinct economic contexts: a developed one such as Spain and an emerging economy such as Chile. Some of the key results obtained are analysed below, along with an attempt to explain the differences between both contexts.

### *Human Capital and Rapid Internationalization*

With regard to Human Capital, a first look at the results obtained shows us that in both contexts entrepreneurs who have access to university and postgraduate education are more likely to rapidly internationalize their firms (H1a). Our results are thus in line with those of previous studies (Westhead et al. 2001; Andersson & Evangelista 2006). University studies and/or postgraduate studies provide individuals with the specific knowledge needed to manage more

complex situations in business. Furthermore, individuals who have obtained a university degree have greater business expectations, also bringing with them wider social and business networks (Stevens et al. 2008). These resources give entrepreneurs the skills needed to perceive entrepreneurial opportunities in international markets.

In terms of the influence of *entrepreneurial experience*, the results have not been significant in Spain, and in Chile their significance is weak. Although empirical evidence with similar results exists in some European countries, such as Italy (Zucchella, Palamara, & Denicolai, 2007), it would be appropriate to note that our results go somewhat against the current trend of empirical evidence of other studies (Westhead et al. 2001; Ibeh 2003). In this sense, Amorós et al. (2016) point out that these kinds of results could be explained by the tendency of some studies to only consider previous entrepreneurial experience as a variable that reflects other dimensions of entrepreneurial experience that could be equally relevant in the study of rapidly internationalizing firms. It would also be important to keep in mind that having entrepreneurial experience does not imply that the entrepreneur wants to extend his company beyond national borders, and therefore, we suggest that other factors may influence this decision. Future research should therefore include new records and/or variables that depict this dimension in greater detail.

With regard to *risk propensity*, some studies indicate that entrepreneurs with high levels of risk propensity are more willing to undertake a rapid internationalization (Knight & Cavusgil 1996; Acedo & Jones 2007). In our study, only the case of the Chilean entrepreneurs shows a relation between less fear of failure and rapid international activity. By contrast, no such relation is found in Spain. These results could be due to some reasons, such as the context in which this study was carried out. In this case, differences probably exist between the Spanish entrepreneur and the Chilean one, as well as in terms of their perceptions of their respective environments. Individuals' perceptions of their context may serve to help or hinder their business activities, since the entrepreneur will make an economic assessment of the costs and benefits of continuing with a business enterprise (Franke & Lüthje 2004). Furthermore, their perceptions of this context during a general economic recession are considered to be less favourable when making business decisions that involve greater uncertainty or risk, such as entering international markets. In this study, it is highly likely that the results obtained in Model I, corresponding to Spain, show a preference for domestic markets during the economic crisis as a result of the unwillingness to risk expanding to foreign markets (Peña et al. 2013). According

to the GEM project, the perception of risk of Spanish entrepreneurs has increased since 2010. As a result of this, we believe that our results in relation to the Spanish case mirror the economic context corresponding to those years. In the case of the Chilean economy, it has demonstrated strength and stability in the face of the different complex scenarios produced by the global economy (Felzensztein et al. 2015). In addition, the Chilean government has made considerable efforts in recent years to increase the competitiveness of small and medium-sized enterprises, thus fostering the internationalization of entrepreneurs (Amorós & Cazenave 2011; Amorós et al. 2016). It is likely that these policies are improving Chilean entrepreneurs' perceptions of risk.

### *Relational Capital and Rapid Internationalization*

Regarding Relational Capital, the results show a very interesting phenomenon. All the dimensions of relational capital used in this study were significant in the Spanish context but not in the Chilean one. These results suggest that the interpersonal networks of Spanish entrepreneurs play a relevant role and complement human capital, probably providing them with knowledge, experience, access to other networks and personal contacts, among other assets, thus enabling them to rapidly develop international activities.

In view of this, our results can be explained from the sociocultural characteristics of both countries and that can influence the development of a society's human and social capital. According to OECD (2013), out of all its member countries, Chile is the one with the greatest social inequalities. On these lines, Kantis et al. (2014) indicate that in highly polarised and/or fragmented societies, there tend to be barriers in the way of constructing social capital that hinder the development of interpersonal networks between individuals from different segments of society. In Latin America, entrepreneurs from medium and low social classes, in contrast to those from high social classes, rely on less qualified support networks with less entrepreneurial experience, which tend to be limited to their nearest social nucleus, such as family and friends (Kantis, Federico, & Trajtenberg, 2014). By contrast, in societies like Spain, which are more developed and enjoy more democratic cultural values, the potential to enrich the entrepreneurial process through contacts with people from other social circles is greater. Although the results do not establish causal relations, it is likely that the social relations of Chilean entrepreneurs indirectly mirror the social inequalities that exist within the country.

With regard to entrepreneurial teams, our results show that the entrepreneurial teams in Spain are more likely to rapidly internationalize their venture. This can be explained from some studies that point out that in Latin American countries - like Chile - there is a significant deficit in the necessary conditions of trust for generating quality networks that are necessary for this type of entrepreneurial activities (Kantis, Federico & Ibarra García 2014). Therefore, it is likely that these conditions prevent Chilean entrepreneurs from creating teams with entrepreneurial proposals of great potential for growth.

Finally, regarding the dimension that considered the participation of entrepreneurs as business angels, this variable is again significant only in the case of Spain. The results could be related to the lack of awareness among Chilean entrepreneurs of the implications of informal risk capital and of how this kind of funding works (Amorós et al. 2008). Moreover, informal risk capital is an emerging activity in Chile. According to information obtained from the Chilean Economic Development Agency (CORFO), the informal investment networks are scarce within the country, with only six networks operating up to the year 2016 (CORFO 2017). Our results could also indicate a poor culture about informal investment that is likely compounded by the lack of investment incentives and insufficient education related to entrepreneurship and entrepreneurial investment. The situation is entirely different in Spain, particularly if we compare the 38 networks of informal investors that have existed in the country (AEBAN 2017).

In general terms, the results show a poorer influence of Chilean entrepreneurs' interpersonal relations on the rapid internationalization of their firms. In this sense, our results highlight that in less developed contexts such as Chile, it will be positive that the entrepreneurs strengthen their relational capital in terms of both quantity and quality, in order to improve their competitiveness beyond national markets. In all probability, participation in competent business networks of a high standing could provide them with useful information to be able to recognise, assess and exploit opportunities; not only in national markets, but also in international ones (Tesfom & Seymour 2006). In comparative terms, the advantages offered by interpersonal networks are exploited differently in contexts such as Europe and Latin America. In Latin America, for example, entrepreneurs face considerable obstacles that hinder the creation of networks due to barriers to the exchange of information and the lack of trust which prevails within the environment (Altenburg & Meyer-Stamer 1999). Kantis et al. (2014) thus argues that, while it is true that the majority of entrepreneurs tend to rely on support networks, this strategy is used less in Latin American countries than in other regions or

countries, as a result of over-confidence in their own ability to overcome the limitations presented.

Finally, in relation to the control variable, the study confirms that entrepreneurs' growth expectations – in the case of Spanish and Chilean entrepreneurs – have a positive influence on rapid internationalization as supported by previous studies (De Clercq & Bosma, 2008; Spence, Orser, & Riding, 2011). The same occurs with perceptions of the novelty of the product, which is positively linked to the possibility of new firms internationalizing in both contexts, and which is also supported by the empirical results of previous studies (Cassiman et al. 2010).

## **6. Implications, Limitations and Future Studies**

The global economy has been surprised by a growing number of new firms carrying out international business activities. This comparative study contributes to improve the knowledge of entrepreneurial internationalization, highlighting how some intangible assets such as human and relational capital, can stimulate the rapid internationalization of firms according to the level of economic development of two different countries. Our analysis focused on the international entrepreneurs from Spain and Chile. This work responds in this sense to calls from several research of the IE field to develop more comparative research between different contexts, including emerging countries such as Latin America (Federico et al., 2009; Gray & Farminer, 2014; Jones et al., 2011).

Some of the key implications of this study focus on encouraging institutions to improve their policies in such a way that: (i) both countries can continue to reinforce education for entrepreneurship at all educational levels, and especially at universities. This is fundamental to increasing human capital bases in order to develop projects with good growth potential. (ii) In the case of Spain, to ensure good institutional in order to improve people's risk perceptions on national and international entrepreneurial activity. (iii) In the case of Chile, to foster and facilitate the creation and access to business networks in order to improve the long-term competitiveness of rapidly internationalizing firms. Therefore, given the importance of the rapidly internationalizing firms for economic growth and development (Shane 2009), both Spain and Chile should continue to strengthen not only trade conditions and policies that promote the emergence of new entrepreneurs, but it would also be recommendable to facilitate access to support networks and to institutions offering business assistance and access to internationalization (Dimitratos et al. 2014). An interesting example to mention in Spain is



ACCIÒ, which is a support agency for the competitiveness of Catalan companies, who do a deep work to promote networking, innovation and the internationalization of entrepreneurial firms.

As with all research, this study presents some limitations. Firstly, a comparative study was carried out between entrepreneurs from two very different economies such as Spain and Chile. In view of this, we believe that our results cannot be taken to reflect what occurs in other developed and emerging economies. Nevertheless, we contribute to the entrepreneurial internationalization literature by showing the influence of intangible assets according to the level of economic development of one country or another. Another limitation of the study is related to the database itself. The main objective of GEM is to estimate the prevalence of people involved in entrepreneurial activity at a specific moment in time. In view of this, we have used the data corresponding only to the year 2013. Therefore, future research should analyze those factors that affect the entrepreneurial internationalization using a longitudinal study in order to define the causality of the phenomenon of study. In addition, as mentioned above, it is likely that the variables used do not capture sufficiently all the dimensions that influence the rapid internationalisation of firms. Given these limitations, we would like to emphasise that the results of this study should not be generalised as a permanent and representative phenomenon of human and relational capital. Bearing this in mind, it would be highly propitious to include more representative variables of this type of intangible assets in future research. To mention one example, this study uses a dichotomous variable that measures the risk perception of the entrepreneur. However, according to Gartner and Liao (2012) there are two forms of risk perception that might influence individuals to take entrepreneurial action: strategic and non-strategic. It would be interesting, in this sense, to take into account the risk perception of the entrepreneur in all its forms and longitudinally observe its influence on a dependent variable that captures the intensity of internationalization of entrepreneurial firms.

An interesting issue to analyze also would be the role that socioeconomic segmentation of entrepreneurs play in the rapid internationalization. We have provided evidence of the current social inequalities in Chile (OECD 2013) and given the characteristics of each social class, that the phenomenon of rapid internationalization in emerging countries like Chile, is likely to be associated with entrepreneurs from more advantaged social classes. The problem of social inequality is characteristic of developing countries, so we therefore suggest that it would be an interesting line for future research at the intersection between the relational capital framework

and the IE field. Equally, alluding to the Spanish economic downturn, it seems to us important to study the impact of the barriers that entrepreneurs must overcome within their environments in order to carry out international activities.

Finally, our study shows that human and relational capital can influence the rapid internationalization differently depending on the social and economic characteristics of a country. However in addition to the possible comparisons between the different economies, it would also be interesting to study the effect of being in a certain country or context on the performance of the rapidly internationalizing firms. This research topic is quite scarce in the entrepreneurial internationalization literature. We therefore encourage other researchers in the field to continue contributing to this study with their valuable research and ideas, in order to continue building the theoretical structure of this field of research.

## References

- Acedo, F. & Jones, M., 2007. Speed of internationalization and entrepreneurial cognition: Insights and a comparison between international new ventures, exporters and domestic firms. *Journal of world business*, 42(3), pp.236–252.
- Acedo, F.J. & Jones, M., 2007. Speed of internationalization and entrepreneurial cognition: Insights and a comparison between international new ventures, exporters and domestic firms. *Journal of World Business*, 42(3), pp.236–252.
- AEBAN, 2017. Asociación Española de Business Angels. Available at: <http://www.aeban.es/empresa> [Accessed January 20, 2017].
- Altenburg, T. & Meyer-Stamer, J., 1999. How to promote clusters: Policy experiences from Latin America. *World Development*, 27(9), pp.1693–1713.
- Amorós, J.E., Atienza, M. & Romani, G., 2008. Formal and informal equity funding in Chile. *Estudios de Economía*, 35(2), pp.179–194.
- Amorós, J.E., Basco, R. & Romani, G., 2016. Determinants of early internationalization of new firms: the case of Chile. *International Entrepreneurship and Management Journal*, 12(1),

pp.283–307.

Amorós, J.E. & Bosma, N., 2013. *Global Entrepreneurship Monitor - Global Report*, London, UK.

Amorós, J.E. & Bosma, N., 2013. *Global Entrepreneurship Monitor 2013 Global Report*, London.

Amorós, J.E. & Cazenave, C.P., 2011. *Global Entrepreneurship Monitor: Reporte Nacional de Chile 2011.* , Primera Ed.

Andersson, S., 2000. The internationalization of the firm from an entrepreneurial perspective. *International Studies of Management & Organization*, 30(1), pp.63–92.

Andersson, S. & Evangelista, F., 2006. The entrepreneur in the Born Global firm in Australia and Sweden. *Journal of Small Business and Enterprise Development*, 13(4), pp.642–659.

Andersson, S. & Evers, N., 2015. International opportunity recognition in international new ventures—a dynamic managerial capabilities perspective. *Journal of International Entrepreneurship*, 13(3), pp.260–276.

Andersson, S., Evers, N. & Griot, C., 2013. Local and international networks in small firm internationalization. *Entrepreneurship and Regional Development*, 25(9–10).

Autio, E., 2005. Creative tension: the significance of Ben Oviatt's and Patricia McDougall's article "toward a theory of international new ventures." *Journal of International Business Studies*, 36(1), pp.9–19.

Basile, R., 2001. Export behaviour of Italian manufacturing firms over the nineties: The role of innovation. *Research Policy*, 30(8), pp.1185–1201.

Björkman, I. & Kock, S., 1995. Social relationships and business networks: The case of Western companies in China. *International Business Review*, 4(4), pp.519–535.

Cassiman, B., Golovko, E. & Martínez, E., 2010. Innovation, export and productivity. *International Journal of Industrial Organization*, 28, pp.372–376.

De Clercq, D. & Arenius, P., 2006. The role of knowledge in business start-up activity. *International Small Business Journal*, 24(4), pp.339–358.

- De Clercq, D. & Bosma, N., 2008. An exploratory study of international commitment by nascent and existing firms. *Journal of Small Business and Entrepreneurship*, 21(3), pp.293–308.
- CORFO, 2017. Redes de Inversionistas Ángeles. Available at: <http://www.corfo.cl/programas-y-concursos/intermediarios-y-consultores/redes-de-inversionistas-angeles> [Accessed January 20, 2017].
- Coviello, N., 2006. The network dynamics of international new ventures. *Journal of International Business Studies*, 37(5), pp.713–731.
- Davidsson, P. & Honig, B., 2003. The role of social and human capital among nascent entrepreneurs. *Journal of Business Venturing*, 18(3), pp.301–331.
- Dimitratos, P. et al., 2014. Micro-multinational or not? International entrepreneurship, networking and learning effects. *Journal of Business Research*, 67(5), pp.908–915.
- Estrin, S., Mickiewicz, T. & Stephan, U., 2016. Human capital in social and commercial entrepreneurship. *Journal of Business Venturing*, 31(4), pp.449–467.
- Evald, M.R., Klyver, K. & Christensen, P.R., 2011. The effect of human capital, social capital, and perceptual values on nascent entrepreneurs' export intentions. *Journal of International Entrepreneurship*, 9(1), pp.1–19.
- Federico, J.S. et al., 2009. Does entrepreneurs' human and relational capital affect early internationalisation? A cross-regional comparison. *European Journal of International Management*, 3(2), p.199.
- Felzensztein, C. et al., 2015. Networks, Entrepreneurial Orientation, and Internationalization Scope: Evidence from Chilean Small and Medium Enterprises. *Journal of Small Business Management*, 53, pp.145–160.
- Franke, N. & Lüthje, C., 2004. Entrepreneurial intentions of business students: a benchmarking study. *International Journal of Innovation and Technology Management*, 1(3), pp.269–288.
- Freear, J., Sohl, J.E. & Wetzel, W.E., 1995. Angels: personal investors in the venture capital market. *Entrepreneurship & Regional Development*, 7(1), pp.85–94.

- Freeman, S. & Cavusgil, S.T., 2007. Toward a typology of commitment states among managers of born-global firms: A study of accelerated internationalization. *Journal of international marketing*, 15(4), pp.1–40.
- Freytag, A. & Thurik, R., 2007. Entrepreneurship and its determinants in a cross-country setting. *Journal of Evolutionary Economics*, 17, pp.117–131.
- Ganotakis, P. & Love, J.H., 2012. Export propensity, export intensity and firm performance: the role of the entrepreneurial founding team. *Journal of International Business Studies*, 43(8).
- Gartner, W. & Liao, J., 2012. The effects of perceptions of risk, environmental uncertainty, and growth aspirations on new venture creation success. *Small Business Economics*, 39(3), pp.703–712.
- Gray, B. & Farminer, A., 2014. And no birds sing—reviving the romance with international entrepreneurship. *Journal of International Entrepreneurship*, 12(2), pp.115–128.
- Greene, W.H., 2003. *Econometric Analysis* 5 Edition., Upper Saddle River, NJ: Pearson Education Inc.
- Guerrero, M. & Peña-Legazkue, I., 2013. The effect of intrapreneurial experience on corporate venturing: Evidence from developed economies. *International Entrepreneurship and Management Journal*, 9(3), pp.397–416.
- Hair, J.F. et al., 2006. *Multivariate Data Analysis* 6th ed., New Jersey, NJ.: Pearson Education Inc.
- Hair, J.F. et al., 2010. *Multivariate Data Analysis* 7th ed., Essex, England: Pearson Education Inc.
- Hormiga, E. & Bolivar-Cruz, A., 2013. The relationship between the migration experience and risk perception: A factor in the decision to become an entrepreneur. *International Entrepreneurship and Management Journal*, 10(2), pp.297–317.
- Ibeh, K.I.N., 2003. Toward a Contingency Framework of Export Entrepreneurship: Conceptualisations and Empirical Evidence. *Small Business Economics*, 20(1), pp.49–68.

- Johanson, J. & Mattson, L., 1988. Internationalization in industrial systems - A network approach. In I. Hood & J. E. Vahlne, eds. *Strategies in Global Competition*. New York, NY: Croom Helm, pp. 287–314.
- Johanson, J. & Vahlne, J.E., 2006. Commitment and opportunity development in the internationalization process: A note on the Uppsala internationalization process model. *Management International Review*, 46(2), pp.165–178.
- Jones, K. & McDonald, M., 2011. Entrepreneurship and the decision to export. In Oxford University Press, ed. *The Dynamics of Entrepreneurship: Evidence from Global Entrepreneurship Monitor Data*. Oxford, UK, pp. 227–298.
- Jones, M., Coviello, N. & Tang, Y., 2011. International Entrepreneurship research (1989–2009): A domain ontology and thematic analysis. *Journal of Business Venturing*, 26(6), pp.632–659.
- José Acedo, F. & Florin, J., 2006. An entrepreneurial cognition perspective on the internationalization of SMEs. *Journal of International Entrepreneurship*, 4(1), pp.49–67.
- Kantis, H., Federico, J. & Ibarra García, S., 2014. *Index of Systemic Conditions for Dynamic Entrepreneurship - A tool for action in Latin America* 1 ed., Rafaela, Argentina: Asociación Civil Red Pymes Mercosur.
- Kantis, H., Federico, J. & Trajtenberg, L., 2014. Middle-Class Entrepreneurs and Their Firms: A regional View and International Comparison. In E. Lora & F. Castellani, eds. *Entrepreneurship in Latin America: A Step up the Social Ladder?*. New York, NY: Inter-American Development Bank, pp. 53–79.
- Kiss, A.N. & Danis, W.M., 2008. Country institutional context, social networks, and new venture internationalization speed. *European Management Journal*, 26(6), pp.388–399.
- Knight, G.A. & Cavusgil, S.T., 1996. The Born Global Firm - a Challenge to Traditional Internationalization Theory. *Advances in International Marketing*, 8, pp.11–26.
- Kundu, S.K. & Katz, J.A., 2003. Born-international SMEs: BI-level impacts of resources and intentions. *Small Business Economics*, 20(1), pp.25–47.
- Larson, A. & Starr, J.A., 1993. A Network Model of Organization Formation.

*Entrepreneurship Theory and Practice*, 17, pp.5–15.

Liesch, P.W., Welch, L.S. & Buckley, P.J., 2011. Risk and Uncertainty in Internationalisation and International Entrepreneurship Studies. *Management International Review*, 51(6), pp.851–873.

Loane, S. & Bell, J., 2006. Rapid internationalisation among entrepreneurial firms in Australia, Canada, Ireland and New Zealand: an extension to the network approach. *International Marketing Review*, 23(5).

Loane, S. & Bell, J., 2006. Rapid internationalisation among entrepreneurial firms in Australia, Canada, Ireland and New Zealand - An extension to the network approach. *International Marketing Review*, 23(5), pp.467–485.

Loane, S., Bell, J.D. & McNaughton, R., 2007. A cross-national study on the impact of management teams on the rapid internationalization of small firms. *Journal of World Business*, 42(4), pp.489–504.

Madsen, T.K. & Servais, P., 1997. The internationalization of born globals: An evolutionary process? *International business review*, 6(6), pp.561–583.

Manolova, T.S. et al., 2002. Internationalization of small firms: personal factors revisited. *International Small Business Journal*, 20(1).

Marvel, M.R., Davis, J.L. & Sproul, C.R., 2016. Human Capital and Entrepreneurship Research: A Critical Review and Future Directions. *Entrepreneurship Theory and Practice*, 40(3), pp.599–626.

McDougall, P.P. & Oviatt, B.M., 1996. New venture internationalization, strategic change, and performance: A follow-up study. *Journal of Business Venturing*, 11(1), pp.23–40.

McDougall, P.P., Shane, S. & Oviatt, B.M., 1994. Explaining the formation of International New Ventures - The limits of theories from international business research. *Journal of business venturing*, 9(6), pp.469–487.

Mesquita, L.F. & Lazzarini, S.G., 2008. Horizontal and vertical relationships in developing economies: Implications for SMEs' access to global markets. *Academy of Management Journal*, 51(2), pp.375–386.

- Milanov, H. & Fernhaber, S.A., 2009. The impact of early imprinting on the evolution of new venture networks. *Journal of Business Venturing*, 24(1), pp.46–61.
- Milanov, H. & Fernhaber, S.A., 2014. When do domestic alliances help ventures abroad? Direct and moderating effects from a learning perspective. *Journal of Business Venturing*, 29(3), pp.377–391.
- Moen, Ø., Sørheim, R. & Erikson, T., 2008. Born Global Firms and Informal Investors: Examining Investor Characteristics. *Journal of Small Business Management*, 46(4), pp.536–549.
- Muñoz-Bullon, F., Sanchez-Bueno, M.J. & Vos-Saz, A., 2015. Startup team contributions and new firm creation: the role of founding team experience. *Entrepreneurship & Regional Development*, 27(1–2), pp.80–105.
- Musteen, M., Francis, J. & Datta, D.K., 2010. The influence of international networks on internationalization speed and performance: A study of Czech SMEs. *Journal of World Business*, 45(3), pp.197–205.
- Nowiński, W. & Rialp, A., 2016. The Impact of Social Networks on Perceptions of International Opportunities. *Journal of Small Business Management*, 54(2), pp.445–461.
- OECD, 2013. *Economic Policy Reforms 2013: Going for Growth*, Available at: <http://dx.doi.org/10.1787/growth-2013-en>.
- Oviatt, B.M. & McDougall, P.P., 2005. Defining International Entrepreneurship and Modeling the Speed of Internationalization. *Entrepreneurship Theory and Practice*, 29(5), pp.537–554.
- Oviatt, B.M. & McDougall, P.P., 1994. Toward a Theory of International New ventures. *Journal of International Business Studies*, 25(1), pp.45–64.
- Peña, I., Guerrero, M. & González-Pernía, J.L., 2013. *Global Entrepreneurship Monitor, Informe GEM España 2013*, Madrid, Spain.
- Rennie, M.W., 1993. Global competitiveness: born global. *The McKinsey Quarterly*, 4(4), pp.45–52.



- Robson, P.J.A. et al., 2012. Exporting intensity, human capital and business ownership experience. *International Small Business Journal*, 30(4).
- Robson, P.J.A. et al., 2012. Exporting intensity, human capital and business ownership experience. *International small business journal*, 30(4), pp.367–387.
- Rugman, A.M., Verbeke, A. & Nguyen, Q.T.K., 2011. Fifty Years of International Business Theory and Beyond. *Management International Review*, 51(6), pp.755–786.
- Sapienza, H.J. et al., 2006. A Capabilities Perspective on the Effects of Early Internationalization on Firm Survival and Growth. *The Academy of Management Review*, 31(4), pp.914–933.
- Shane, S., 2009. Why encouraging more people to become entrepreneurs is bad public policy. *Small Business Economics*, 33(2), pp.141–149.
- Sharma, D.D. & Blomstermo, A., 2003. The internationalization process of Born Globals: A network view. *International Business Review*, 12(6), pp.739–753.
- Shrader, R.C., Oviatt, B.M. & McDougall, P.P., 2000. How New Ventures Exploit Trade-Offs among International Risk Factors: Lessons for the Accelerated Internationalization of the 21st Century on JSTOR. *Academy of Management Journal*, 43(6), pp.1227–1247.
- Slotte-Kock, S. & Coviello, N., 2010. Entrepreneurship research on network processes: A review and ways forward. *Entrepreneurship: Theory and Practice*, 34(1), pp.31–57.
- Spence, M., Orser, B. & Riding, A., 2011. A comparative study of international and domestic new ventures. *Management International Review*, 51(1), pp.3–21.
- Stevens, M.L., Armstrong, E.A. & Arum, R., 2008. Sieve, Incubator, Temple, Hub: Empirical and Theoretical Advances in the Sociology of Higher Education. *Annual Review of Sociology*, 34(1), pp.127–151.
- Tesfom, G. & Seymour, R.G., 2006. A classification of export marketing problems of small and medium sized manufacturing firms in developing countries. *International Journal of Emerging Markets*, 1(3), pp.262–281.
- Tolstoy, D., 2014. Differentiation in foreign business relationships: A study on small and

- medium-sized enterprises after their initial foreign market entry. *International Small Business Journal*, 32(1), pp.17–35.
- Ucbasaran, D. et al., 2003. Does Entrepreneurial Experience Influence Opportunity Identification? *The Journal of Private Equity*, 7(1), pp.7–14.
- Ucbasaran, D., Westhead, P. & Wright, M., 2008. Opportunity identification and pursuit: Does an entrepreneur's human capital matter? *Small Business Economics*, 30(2), pp.153–173.
- Ughetto, E., 2016. Growth of born globals: the role of the entrepreneur's personal factors and venture capital. *International Entrepreneurship and Management Journal*, 12(3), pp.839–857.
- Vyakarnam, S. & Handelberg, J., 2005. Four Themes of the Impact of Management Teams on Organizational Performance: Implications for Future Research of Entrepreneurial Teams. *International Small Business Journal*, 23(3), pp.236–256.
- Westhead, P., Wright, M. & Ucbasaran, D., 2001. The internationalization of new and small firms: A resource-based view. *Journal of Business Venturing*, 16(4), pp.333–358.
- World Bank, 2013. Country Data - Spain and Chile. Available at: <http://data.worldbank.org/country/spain>.
- World Bank, 2017. Exports of goods and services (% of GDP) | Data. Available at: <http://data.worldbank.org/indicator/NE.EXP.GNFS.ZS?locations=ES> [Accessed April 6, 2017].
- World Economic Forum, 2013. *The Human Capital Report*, Switzerland. Available at: [www.weforum.org](http://www.weforum.org).
- Wright, M. et al., 2008. Mid-range universities' linkages with industry: Knowledge types and the role of intermediaries. *Research Policy*, 37(8), pp.1205–1223.
- Zahra, S.A., 2005. A theory of international new ventures: a decade of research. *Journal of International Business Studies*, 36(1), pp.20–28.
- Zahra, S.A. & Garvis, D.M., 2000. International corporate entrepreneurship and firm performance: The moderating effect of international environmental hostility. *Journal of*

*business venturing*, 15(5–6), pp.469–492.

Zahra, S.A., Ireland, R.D. & Hitt, M.A., 2000. International expansion by new venture firms: International diversity, mode of market entry, technological learning, and performance. *Academy of Management Journal*, 43(5), pp.925–950.

Zhou, L., Wu, W. & Luo, X., 2007. Internationalization and the performance of born-global SMEs: the mediating role of social networks. *Journal of International Business Studies*, 38(4), pp.673–690.

Zucchella, A., Palamara, G. & Denicolai, S., 2007. The drivers of the early internationalization of the firm. *Journal of World Business*, 42(3), pp.268–280.

Zucchella, A., Palamara, G. & Denicolai, S., 2007. The drivers of the early internationalization of the firm. *Journal of world business*, 42(3), pp.268–280.