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Innovativeness as a Source of Competitive Advantage for Entrepreneurial Ventures and Small Business

Božidar Leković
University of Novi Sad, Faculty of Economics in Subotica, Subotica, Serbia
Slobodan Marić
University of Novi Sad, Faculty of Economics in Subotica, Subotica, Serbia

Abstract
Competitive advantage lies in the mindset of the specifics of an organization that make it different than other primarily because of the way of meeting the needs of customers / clients, which results in a generally greater impact. The aim is not only to gain a competitive advantage rather than aim to make it sustainable competitive advantage, because it is very complex to mimic, at a time when competition is trying to take over the business model. The most stable and long-term source of sustainable competitive advantage is innovation in business. However, innovation is the basic and exclusive peculiarity of entrepreneurial ventures and small businesses. The above assertion is based on J. Schumpeter, who said that entrepreneurs are primarily innovators that create the conditions for profit by creating a temporary monopoly by means of organizational and technological innovation. With their proactive approach, they constantly disturb the existing state of equilibrium (creative destruction) that favoured existing business actors forcing them to respond to emerging threats, while in return they provide business opportunities through new market space.
The main intention of the paper, i.e. its objective, is reflected in the determination of the degree of interdependence of innovative entrepreneurial ventures, with different levels of maturity, and business success, starting from basic research assumptions (hypotheses) to a higher level of innovation which means business success observed in the level of development of the enterprise.
Set research intentions will be implemented by means of quantitative analysis, using the appropriate mathematical and statistical procedures (Pearson's correlation) conditioned by the nature of available databases based on the GEM methodology and comparison of global capabilities.

Keywords
Innovativeness, competitive advantage, entrepreneurial ventures, small business, GEM methodology.

Introduction

We are often witnesses of the statement that entrepreneurs are the drivers of technological development, social progress and economic growth. Something like this is deduced based on very successful high-tech companies, which started up within the framework of small entrepreneurship initiatives and achieved high growth rates. In accordance with this, most research into this topic aimed to establish the success of innovation and their contribution to the overall success of enterprises in their entirety. Regardless of a multitude of differences in attitudes regarding the above posed questions, a multitude of studies and research overlaps in one segment of critical significance, which is reflected in the individual responsible for initiating innovation, known as the entrepreneur. Of course, adequacy and motivation of the key individual are not enough; what is also essential are other elements of business success such as key managerial activities and attitudes,

development of appropriate market orientation and timely response to changes in the environment and the specific industry.

The most relevant manifestation of business success is expressed by competitive position as the relative strength of organizational resources and achieved results in comparison with other participants aiming to satisfy the same users' needs within a defined market space.

The basic purpose of this paper is to attempt to establish the interdependence of innovative activities in terms of volume and results and the business success of entrepreneurial ventures and small enterprises. The achieved level of maturity in the form of different stages of the entrepreneurial process represents the indicator of success in the form of survival, which, in the relative sense, features as the basic indicator of competitiveness. The choice of survival as a measure of success in the absolute sense or competitive strength of the business endeavour is explained in the relative sense by a significant difference emerging due to the existence or non-existence of strategic orientation in the business venture, which is the basic difference between an entrepreneurial venture and a small enterprise. This difference is significant, in view of the fact that it determines the innovate potential of business operation through the allocation of resources depending on the strategic orientation.

Also, based on available data, selected methodology and applied analysis, expectations are also present in the sense that more mature stages of business operation, viewed through stages in the development of the entrepreneurial process, also manifest a larger volume of innovative activities and results.

1. Theoretical basis of the article – innovativeness of entrepreneurial ventures as the base of success and competitiveness

The importance of innovativeness is well-known in academic, business, social and political segments of the environment. Consequently, innovation is identified as the basic prerequisite of economic growth and critical segment in competitive relationship, whether at the level of enterprise or national economy. If we use the language of specific data, then over 60% of the total economic growth belongs to technological improvement in comparison with improvement based on labour productivity (Freeman & Soete, 1997).

Thus, innovation becomes a critical factor as a basic constructive element of organizational resources in the aspiration to achieve business success.

Innovative endeavours include activities such as research, experimenting and development of new technologies, new products and/or services, new production processes, and new organizational structures. New materials of high-technology and information industries emerge as the basic consequences of these endeavours. A new management approach in business agrees with the fact that that information is the result of development of knowledge and base for future business results which are based on the significant distinction in relation to the current offer of the market and creator of new business competitiveness. Strategic management related to building and structuring the organization's resources predetermines the enterprise's potential pertaining to innovative ability. So, we argue unequivocally that innovation is the sole consequence of intangible part of the structure of resources, that is, knowledge and employees who have this knowledge and thereby constitute the organization's intellectual capital. Thus investment in knowledge becomes an essential prerequisite and an increasingly dominant method of investment, resulting in the development of new knowledge, and thereby the expansion of business opportunities and existing markets.

To achieve better results, innovative activities need to be strategically combined with competitive orientation. This combination is conditioned to the greatest extent by the highest level of individual knowledge and available technological basis. Aware of these circumstances, many organizations take into account that new technologies and management approach changes the traditional perspective of managing intellectual resources. Numerous articles in this area (Harari, 1994; Nonaka, 1994; West, 1992) argue that organizations that are able to stimulate and enhance the knowledge of staff, that is, human capital, are far more ready for the nature of current intensive change, and innovative activities in areas where they want to invest and be competitive.

The managers' essential obligation is reflected in finding and selecting human capital, but also in providing a level of motivation so as to provide support in the form of creative suggestions, various suggestions and research activities which will result in innovation. Thus the overall competitiveness in business operations that is based on inno-

vation unmistakeably and strongly results in a successful business strategy (Gatignon & Robertson, 1993). Some enterprises unequivocally find that innovation endeavour and adjustment to new procedures and new technologies significantly increase competiveness (Goel & Rich, 1997), for the following reasons: innovations can become investors only if they are able to manage research and development activities; when entrepreneurs, owners and managers can assess the expected values of the selected market segments, and if the basis of the enterprise's competitiveness comprises intangible resource, that is, intellectual capital.

1.1. The role of entrepreneurial ventures and small enterprises in the innovation process

When the topic of innovation is mentioned, a special place and role are taken up by small enterprises and entrepreneurial ventures due to a noted participation in the innovation process, viewed generally, and especially when it comes to technological changes. Although it is an officially adopted opinion that there is no optimum enterprise size which is practically predisposed for generating innovation at the maximum level, the usual intuitive assessment and analysis of research so far confirm that small enterprises significantly differ and play an important role in this process (Storey & Sykes, 1996). Numerous reports in this area confirm the potential of dedicated entrepreneurs included in innovation and technological improvements. The entrepreneurs' contribution does not end, and they tirelessly and tenaciously continue their engagement in the subsequent stages of the innovation process, which is also reflected in the effort to successfully transfer technology pursuing the commercialization and realized economic benefits. In addition, it is necessary to state that fundamental or radical interventions occur in large enterprises or large public research centres, whereas small enterprises are disproportionately responsible for development that occurs directly on the market, and for initial market diffusion. Undoubtedly, this role of small enterprises achieves unique advantages pertaining to absence of bureaucracy, efficient and intensive informal communication, and the flexibility and adaptability through the vicinity of the market. But, on the contrary, we can also encounter numerous obstacles related to the innovativeness of small enterprises, such as lack of technically qualified workforce, insufficient utilization of external information and advisory services, inadequate management, problems in securing finance and high costs of the regulatory environment. Generally, the basic advantage of small enterprises in the innovation process is reflected in appropriate response and behaviour, while the basic limitation is related to the issue of resources.

Thus, the nature, structure and quality of managerial and entrepreneurial knowledge and skills is key to innovation and success of any enterprise, regardless of its size, whereas achievement is also defined and measures in terms of growth in sales, assets, profits, products and services, employment and survival, especially when it comes to enterprises in the phase of entrepreneurial initiatives, ventures, and emergence. In many aspects, the relationship between management quality and business success is far more manifest and more often present in small enterprises than in large ones. In small enterprises, strategic and operative decisions are made by owners, entrepreneurs and key decisions are formulated and implemented much faster, whereas the obstacles and operationalisation by the subordinates are far less present in comparison with large enterprises, as far as all of the above is concerned. Decisions made and carried out by small enterprises may be professional and well founded, but they can also have numerous unusual outcomes in terms of market position, primarily due to limited market poser, limited resources and lack of location (Beaver & Jennings, 2000). Due to such specific features, it is justified to point out that small enterprises are not mere miniatures of large ones.

1.2. Determinants of success and competitiveness

If we are acquainted with the fact that each owner/entrepreneur/manager of an entrepreneurial venture and small enterprise has their personal perception and manner of defining success that we have justification to move on to further research and analysis pertaining to the main motivators for the selection of an appropriate set of success criteria. Generally, a postulate is well known that an inherent value system is in the basis of the selected set of a specific individual's chosen set of success criteria, when it comes to their own entrepreneurial venture. In the long run, an individual's value orientations are a constant, whereas the objectives stemming from them are the guiding principles both in an individual's life and in the business area, in the sense of great influence on the decision making process, but also the overall be-

haviour. We can deduce that a value system is in the core of business success, but the strategy itself as well, as a manner of achieving it. In the endeavour to reach insight into the existence of certain relationships and relations between an entrepreneur's value system and their priority directions of actions, it is necessary to view in its fundament what are the possible dimensions and elements of the value system in the general sense.

One such analysis will make use of Schwartz theory of basic human values, which is broadly moderate and can be said to represent a universal structure comprised of ten proposed value orientations represented and defined in the figure below.

***Power**:* Social status and prestige, control or domination of people or resources. (I want to be appreciated and tell people what to do. I want people to do what I say.)
***Attainment**:* Personal satisfaction through a demonstration of competence according to social standards. (Being very successful is important to me. I want to stand out and impress other people.)
***Hedonism**:* Pleasure and satisfaction of their own senses. (I like to enjoy life. Having a nice life is very important to me.)
***Incentives**:* Excitement, strangeness and challenges in life. (Looking for adventure and love taking risks. I want to have an interesting life.)
***Self-direction**:* Independence, through a variety of activities and research. (I think it is important to be interested in things. I am serious and I try to understand everything.)
***Universality**:* Understanding differentiation, tolerance and protection of the welfare of all people and nature. (I think it is important that every person in the world should have the same treatment. I want justice for everyone and for people who do not know.)
***Bonhomie**:* Safeguarding and improving the welfare of people with that thing is made personal contact. (I always want to help people who are close to me. It is very important for me to take care of the people you know and love.)
***Tradition**:* Respect, trust and acceptance of obligations and ideas offered by traditional culture or religion. (I think it's important to do things in a way you learn from your family. I want to follow their commitments and tradition.)
***Affiliation**:* Limitation of actions, affection and reactions similar disputes or in the form of injustice towards others unlicensed social expectations or norms. (I believe that people should do what they say. I think people should realize their role at all times even when someone is not watching.)
***Safety**:* Safety, harmony and stability of society, as well as personal relationships. (Safety of my country is very important for me. I want my country to be safe from its opponents.)

Figure 1 Schwartz's dimension of human value
Source: Bardi & Schwartz, 2003

In researching the success criteria of owners/entrepreneurs/managers, we can say that they are a consequence of an individual value system. The authors of the representation below point out that the value system is stable as long as the situation objectives are highly significant and serve as guiding principles in an individual's life. Values represent an aspect of personality that are practically usable and represent high stability over time. The given values represent a guide in the decision making process and conducting actions, so that the owners apply criteria for success evaluation which are in compliance with their values. What can be seen in the representation of Schwartz theory of basic human values is the value orientations that are theoretically structured based on complementarity or conflicting nature of motivational objectives that they represent.

It would be normal if the only indicators for measuring success were of objective nature regardless of all the shortcomings and certain aggravating circumstances of their application. A substantial number of authors point to the possibility and significance of the use of subjective measures of success, which can be highly efficient and realistic success assessment measures, but also the best way for providing certain information that cannot be gathered by another form. Wand and Ang (2004) established three principal reasons why it is better to use subjective than objective success measures:

- First, most small enterprises are not able or ready to provide objective information on business operations, especially in the first year;
- Second, accounting data of these enterprises are very complicated to interpret;
- Third, if the sample is formed from enterprises from different industries, then the circumstances of the industry have a great influence on the accounting data.

Subjective success measures are not complete or perhaps perfect, which is pointed out by justifiable criticism due to high share of subjective component, making them inappropriate for comparison between enterprises (Reid & Smith, 2000). The utility of this group of measures has been confirmed by comparing the data on the subjective perception of success of owners /entrepreneurs/managers with objective data of success by identifying a high positive correlation between these two groups of data, which highlights a high precision in expressing success through subjective measures (Baron & Markman, 2000).

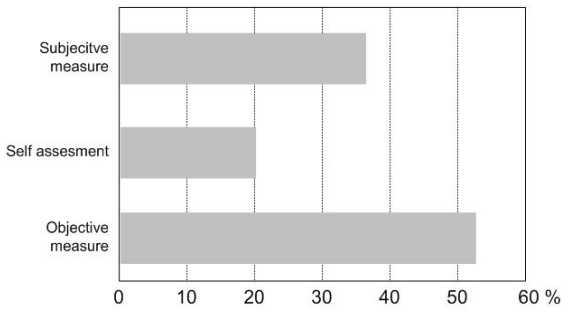

Figure 2 Number (frequency) of papers which are used some kind measure of success (1995-2007)
Source: Perez & Canino, 2009

It can be concluded from Figure 2 that objective success measures are represented in the volume as the previous two together, which testifies that they are far more popular and enjoy a higher degree of trust among researchers into this topic.

To make the omission smaller, and so the potential shortcomings of future results and conclusions, due to nature itself of entrepreneurial ventures and small enterprises, we opted within the research to enable the owners/entrepreneurs/managers to freely express the subjective feeling of success i.e. success of their business venture, and the degree of appreciation of personal and family criteria in measuring business success.

It must be pointed out that the financial measures of performance of small enterprises are not sufficient for realistic and objective expression of achieved business results and expressing business success due to all their above mentioned shortcomings, but also because subjective criteria are hard to measure and compare. The above mentioned choice is rationally necessary, that is, a combination of subjective success measures is desirable.

1.2.1. Competitiveness – the function of survival as a measure of success

One of the well-known problems of entrepreneurial ventures and small enterprises is high failure rate. Thus, success in this area cannot only be measured by the number of established business ventures, but it is necessary to contribute to reduction in the number of wound up small enterprises. Thus, the survival of a business venture becomes a key determinant of success in which all stakeholders are interested, in the form of both commercial and non-commercial institutions of the environment finding their interest in supporting small enterprises. In addition to the usual and most used measures of performance, profitability and growth (number of employees), some authors also use the time period of conducting business as a practical subjective measure of individual business success (Luk, 1996; Sapienza & Grimm, 1997; Bruderl, Preisendorfer, & Ziegler, 1992; Pennings, Lee, & van Witteloostuijn, 1998). In a more detailed analysis of success or failure of a small enterprise, the time period of operating can be a reliable success indicator only if winding up a small enterprise or abandoning a business venture is not venture, that is, if the failure is forced. Forced foreclosure or failure of business occurs after a certain time period when, due to lack of conditions, it is not possible to continue business operations. This form of giving up business is explained as failure or bankruptcy. Also, contrary to the previous, it can be a voluntary giving up of one's business (transfer from self-employment to employment or unemployment) due to lack of readiness or motivation. Generally, we can speak about voluntary and forced discontinuation of one's business venture, whereas survival as a measure of success of a small enterprise implies a time period spent in business that will be finished by some form of business discontinuation without a new form of self employment (being self-employed for a certain period): Thus the measure of success of a small enterprise is determined by the time period of operation that will be finished solely by forced rather than voluntary abandonment of one's own venture. Based on the above, we can conclude that in case of conducting research on a sample comprised of active small enterprises, or surveying owners/entrepreneurs/managers we can deem that the enterprise with a longer period of existence is more successful.

We can definitely agree, due to all the difficulties in measuring success, especially in early stages of small enterprises, when already known measures of success do not have a great significance and usability, that identifying and measuring success as a measure of success is very easy, efficient and multiply useful. Survival as a measure of success especially manifests its reliability in terms of expressing business results in small enterprises and entrepreneurial ventures that are in the phase of conceptualization or in early stages of entrepreneurial process, when all other mentioned measures to this purpose exhibit significant shortcomings, which were elaborated above. In such circumstances, survival as a measure of success expressed through the length of existence period absolutely expresses the competitive power of business venture, as the length of operation

period in the initial stages of development fully reflects the resource potential of a business venture, which is drastically different due to existence or non-existence of strategic orientation as one of the factors essential for business result based on innovativeness. Also, all success measures that we mentioned manifest solely their absolute value at the level of an individual entrepreneurial venture or small enterprise, whereas they get full value in relative sense through the competitive relationship, when the chosen set of measures expresses the real strength of the business entity compared to relevant competition. Thus competitiveness established based on survival indicators in the category of business ventures and small enterprises manifests essential relevance and reliability as a measure of business success.

2. Methodology

2.1. Data and variables

The main sources of data analyzed factors (variables) activities of the entrepreneurial process in this paper are the results of research on the GEM project in 2014. The criterion for these choices, to enter the sample, was the availability of data by selected variables, participating in GEM project in 2014.

Random variables are divided into two groups. Group variables were selected as the survival of ventures. Indicators are presented through various stages of maturity in the business enterprise, and include the following characteristics:

Variable marked suboan (Nascent entrepreneur: Involved in setting up a business) entrepreneurial activity in the phase of the entrepreneurial process in which entrepreneurs exhibit emerging as individuals who are currently owners or managers of new businesses who are engaged resources and achieve a certain type of revenue less than three month.

Variable babyby (Owner-manager of young business – up to 3.5 years old) represents individual bearers of entrepreneurial activity in the form of the owner or manager of the business from a certain type of revenue in less than 3.5 years;

Variable marked TEA (Total Early-Stage Entrepreneurial Activity) index is the main indicator of the volume of entrepreneurial activity in this study and contains the previous two indicators;

Variable estabbu (Owner – manager of an established business more than 3.5 years old) is an indicator of entrepreneurial activity the last phase of the entrepreneurial process, includes individuals who fit the owner or entrepreneur named realize certain income during more than 3.5 years of operation.

Variable anybus (Overall Entrepreneurial Activity), which involves entrepreneurial activity from the previous three phases.

The second group of variables that were selected as indicators of innovative activities include the following sub-continent: the new products – a combination of the market (customer - competition) -% TEA: A new product – market combinations (customers, competition),% EB: The new product – market combinations (customers, competition); technology sector (high, medium) -% TEA% EB; New products - TEA% i%% EB: New product for all customers, some customers and no new products; and the use of new technologies -% TEA and EB%.

2.2. Hypothesis and methodology

Central research intention is related to the determination of the level of interdependence between business success as measured by the achieved level of maturity of the entrepreneurial venture as a measure of success and innovation. Available data of selected characteristics enable it to undertake an analysis in the form of determining the interdependence of selected groups of variables observed characteristics bearing in mind the intensity and direction of correlation.

The number of observations in the sample (number of participating countries of the GEM project in 2014), and ordering the use of parametric statistical techniques, that due to its sensitivity reproduce precise, more accurate conclusions.

The first thing we want to emphasize in the framework of the research results which will form the basis for all subsequent analysis is the relationship between the variables of survival as a measure of success reported in the form of the achieved level of maturity of entrepreneurial ventures and the results of innovative activities.

H1: *There is a positive correlation between the length of survival of the business enterprise measured by the achieved level of entrepreneurial venture maturity and level of innovative activity.*

Testing will be done for the hypotheses using Pearson correlation coefficient.

3. Research results and discussion

Before analyzing the results obtained during the selected statistical procedures, within a defined primary objective of the work, it is necessary to

proceed from definite positions of the theoretical basis of work in the consideration of the interdependence of success as measured by survival, or the maturity of entrepreneurial ventures and small businesses in relation to innovation and the results of this process. So we can say the following specifics that are inevitable when it comes to this topic:

- for all the difficulty in measuring success, especially in the early stages of small enterprises when already known conventional measures of success have great significance and usability, identifying and measuring survival as a measure of success is very easy, efficient and quite useful,
- due to numerous specifics, scope and structure of resources, speed and capacity for action, specific limits, it is reasonable to point out that small businesses are not free large miniatures, which is necessary to take into consideration when these and similar analyzes,
- when one mentions the theme of innovation and role of the special place occupied by small businesses and entrepreneurial ventures due to the very worthy participation in the innovation process in terms of the scope and the results achieved, generally speaking and especially when it comes to technological change,
- officially accepted that there is no optimal size of companies is practically predestined for generating innovation at the maximum level, the usual intuitive assessment and analysis of previous studies confirm that small businesses differ significantly and play an important role in this process,
- unequivocally mentioned the role of small enterprises achieved the unique benefits that are related to the lack of bureaucracy, efficient and intensive informal communication, as well as the flexibility and adaptability of the proximity to the market,
- some companies certainly recognize that innovation efforts and adaptation to new procedures and new technologies significantly increase competitiveness, as a relative measure of business success,
- innovation capabilities associated with strategic thinking and management is a key factor that separates the entrepreneurial ventures of small businesses. Small businesses have a clear picture of the future will use the potential of growth based on innovation, because it will devote considerable attention to the development and management of human resources development strategy.

Table 1 Correlation measures of success and inovativeness

		% TEA: New product – market mixed (customers, competitors)	% EB: New product – market mixed (customers, competitors)	% TEA: technology industry (high or middle)	% EB: technology industry (high or middle)	% TEA: New product for all customers	% TEA: New product for some customers	% TEA: without new product	% EB: New product for all customers	% EB: New product for some customers	% EB: without new product
% 18-64 pop: START-UP/NASCENT (suboan)	Pearson Correlation	-,004	,156	-,469**	-,371**	,106	-,045	-,039	,218	,036	-,156
	Sig. (2-tailed)	,974	,208	,000	,002	,395	,717	,752	,077	,771	,208
	N	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: BABY BUS OWNER (BB)	Pearson Correlation	-,283*	-,074	-,542**	-,470**	-,028	-,308*	,201	,095	-,158	,033
	Sig. (2-tailed)	,020	,550	,000	,000	,824	,011	,103	,444	,201	,791
	N	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: ESTABL BUS OWNER (EB): s	Pearson Correlation	-,278*	-,250*	-,288*	-,241*	-,191	-,277*	,285*	-,105	-,239	,203
	Sig. (2-tailed)	,023	,042	,018	,050	,121	,023	,019	,400	,052	,099
	N	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: Anybus	Pearson Correlation	-,244*	-,090	-,508**	-,421**	-,069	-,257*	,196	,062	-,150	,049
	Sig. (2-tailed)	,047	,467	,000	,000	,581	,036	,111	,617	,224	,695
	N	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: TEA	Pearson Correlation	,163	,040	,554**	-,459**	,033	,191	,094	,164	-,064	-,065
	Sig. (2-tailed)	,188	,747	,000	,000	,792	,121	,451	,185	,608	,604
	N	67	67	67	67	67	67	67	67	67	67

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Source: Author's Calculation

Table 1 Correlation measures of success and inovativeness

		% TEA: small competitiveness	% TEA: middle competitiveness	% TEA: high competitiveness	% EB: small competitiveness	% EB: middle competitiveness	% EB high competitiveness	% TEA: use new technology (to 1 y)	% TEA: use new technology (1 to 5 y)	% TEA: uld technology	% EB: use new technology (to 1 y)	% EB: use new technology (1 to 5 y)	% EB uld technology
% 18-64 pop: START-UP/NASCENT (subcan)	Pearson Correlation	-,029	,141	-,214	-,092	,160	-,144	,108	-,105	-,017	,075	,133	-,114
	Sig. (2-tailed)	,813	,255	,082	,460	,196	,244	,383	,399	,890	,547	,284	,358
	N	67	67	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: BABY BUS OWNER (BB)	Pearson Correlation	,149	-,044	-,264*	,002	-,027	-,150	,060	-,248*	,000	,102	,064	-,095
	Sig. (2-tailed)	,228	,722	,031	,512	,829	,203	,627	,043	,479	,412	,605	,442
	N	67	67	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: ESTADI DUS OWNER (EB): s	Pearson Correlation	,084	-,048	-,102	,202	-,204	-,049	-,241*	-,270*	,297*	-,184	-,222	,227
	Sig. (2-tailed)	,497	,698	,410	,102	,098	,693	,049	,027	,014	,136	,071	,065
	N	67	67	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: Anybus	Pearson Correlation	,090	,006	-,227	,096	-,047	-,146	-,048	-,251*	,161	-,015	-,025	,022
	Sig. (2-tailed)	,468	,959	,065	,440	,703	,238	,699	,041	,193	,907	,838	,860
	N	67	67	67	67	67	67	67	67	67	67	67	67
% 18-64 pop: TEA	Pearson Correlation	,070	,049	-,264*	,000	,071	-,176	,091	-,190	,038	,100	,111	-,118
	Sig. (2-tailed)	,574	,694	,031	,999	,568	,153	,463	,123	,760	,421	,370	,340
	N	67	67	67	67	67	67	67	67	67	67	67	67

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Author's Calculation

Sublimation of the preceding paragraphs in part of the analysis of the quantitative results gives us precise answers in considering the connection between the observed characteristics through selected variables. Since the phases in the development of entrepreneurial ventures precisely delimited and clearly set their comparison with the results of innovative activities defined clearly point to the following conclusions.

In analyzing the relationship maturity of entrepreneurial ventures in TEA phase (length of survival) and results expressed in new product innovation – the market-based relationships, we can say that there is a slight negative correlation since Pearson's coefficient amounts to r = -0163 relative to comparison to a higher stage where EB with a small, but statistically significant negative correlation since Pearson's coefficient is r = -0.250. From the previous comparison we can conclude that the higher the level of innovation present in a lower stage of maturity of entrepreneurial ventures when the result is expressed in a new category of products – market.

In analyzing the relationship maturity of entrepreneurial ventures in TEA phase (length of survival) and results expressed technological innovation development of the sector on the basis of the relationship, we can say that there is a medium or a statistically significant negative correlation since Pearson's coefficient is r = -0554 relative to comparison to a higher stage of EB where with a small, but statistically significant negative correlation since Pearson's coefficient is r = -0241. From the previous comparison we can conclude that the higher the level of innovation present in a higher stage of maturity of entrepreneurial ventures when the result is expressed in the technological development of the sector.

In analyzing the relationship maturity of entrepreneurial ventures in TEA phase (length of survival) and results expressed in new product innovation on the basis of the relationship, we can say that there is a slight positive correlation since Pearson's coefficient is r = 0.033 compared to compare to a higher stage where EB present small, negative correlation since Pearson's coefficient is r = -0.105. From the previous comparison we can conclude that the higher the level of innovation present in a lower stage of maturity of entrepreneurial ventures when the result is expressed in the category of new products.

In analyzing the relationship maturity of entrepreneurial ventures in TEA phase (length of survival) and the results of innovation expressed intensity of competition on the basis of the relationship, we can say that there is a slight positive correlation since Pearson's coefficient is r = 0.070 compared to compare to a higher stage where EB present small, positive correlation since Pearson's coefficient is r = 0.202. From the previous comparison we can conclude that the higher the level of innovation present in a higher stage of maturity of entrepreneurial ventures as a result of pronounced intensity of competition in the category.

In analyzing the relationship maturity of entrepreneurial ventures in TEA phase (length of survival) and the results of innovation expressed using new technology-based relationships, we can say that there is a slight positive correlation since Pearson's coefficient is r = 0.091 compared to compare to a higher stage where EB present small negative correlation since Pearson's coefficient is r = -0.184. From the previous comparison we can conclude that the higher the level of innovation present in a lower stage of maturity of entrepreneurial ventures when the result is expressed in the category of use of the new technology.

As a general conclusion of the previous detailed analysis, we can conclude that partially confirmed the general assumption is starting research that advocates a greater degree of innovation of more mature phase of the entrepreneurial process and a longer operating period. The hypothesis is confirmed with the characteristics of technological innovation belonging to the sector and the intensity of competition, and higher level of innovation present in the cases mentioned in older stages of the entrepreneurial process and a long period of survival. While the indicators of innovation as new products, markets and use of new technology at higher level of competitiveness exhibited lower stages of maturity of the entrepreneurial process and a shorter period of existence.

In the end, we can conclude that the results of the previous analysis division according to the observed variables in the analysis of the interdependence of success or survival period expressed in maturity phase of the entrepreneurial process and indicators of innovation all through the prism of time dimension as the key determinants of the existence of the strategic orientation of the business enterprise, resulting in a too early stage in business development and the short period of observation as a measure of success. However, what is clearly indicative of what can be seen from the results is the fact that the more mature phase in the development of business exhibited its innovative potential in innovation indicators for which the set time limit on the period of maturity was a significant event for all mentioned starting assumption.

Conclusion

So far, the capital of the company represented a critical and scarce resource, while the human resources used exclusively and decisively to ensure and enhance the return on investment. Today, companies are trying to understand and use the new logical values that underlie their own competences, market evaluation criteria and the final competition. Both managerial and entrepreneurial skills and knowledge in the context of small businesses form the basis of developments in the field of technological innovation, specialization of business processes and innovative product which provides the most important source of competitiveness.

Innovation is necessary to treat it as a complex process, which primarily includes numerous investment opportunities. Within this perspective, investment, intellectual capital and human resources based on knowledge, shall be treated as a separate, independent kind of capital. If we accept this view, then, the development process is the obligation of management, since this approach leads to a decisive innovation.

The success based on innovation is directly linked to innovation activities and changeable orientation. However, these two elements are directly dependent on possession of adequate knowledge and skills, as well as efforts to address innovation by key individuals, entrepreneurs, owners, managers.

Innovation associated with the ability of strategic thinking and management is a key factor that separates the entrepreneurial ventures of small businesses. Small businesses that have a clear picture of the future will use the potential of growth based on innovation, because it will devote considerable attention to the development and management of human resources development strategy. Innovative capacities lead to sustainable and profitable business development if it is the commitment of key decision makers. SM

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✉ **Correspondence**

Božidar Leković

Faculty of Economics in Subotica
Segedinski put 9-11, 24000, Subotica, Serbia

E-mail: bolesu@ef.uns.ac.rs

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