Role of Managerial Experience of Entrepreneurs in Choosing Approaches to Internationalization of Their Business

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Abstract
Knowledge, skills, and experience of entrepreneurs are crucial to better meet challenges of the external environment that enterprises face nowadays. This is especially valid for enterprises operating internationally and facing intense competition and various obstacles and uncertainties. This study is targeted at exploring the role of individual characteristics, such as training and experience of entrepreneurs in the internationalization process. Experience and training can be regarded as basic prerequisites for management and development of businesses able to break through and compete internationally. More specifically, the paper aims to justify the link between management training and experience as essential elements of entrepreneur’s personality and the choice of internationalization approach with a focus on import and export as preferred internationalization modes by SMEs. To achieve this objective, the authors draw from a broad overview of available research in different contexts, and from data of their own empirical studies on the issues of internationalization and management training of entrepreneurs from an emerging market. This study contributes to the extant literature by relating the concept of the entrepreneur-manager in SMEs and his/her respective skill set with the choice of internationalization approach. Findings show that the availability of managerial experience and training is a prerequisite for choosing more active, direct and riskier, but at the same time more effective approaches to internationalization. Entrepreneurs who have no previous experience or have been employed operate with a significantly smaller number of countries. The choice of first foreign country is determined by the existence of previous management experience – those who have it are directed to traditional foreign trade partners of Bulgaria, regardless of geographic and cultural differences, while those who do not have such experience are more oriented towards geographically and culturally proximate countries.

Keywords: entrepreneurs, managerial experience, internationalization approach, SMEs