



## Summaries



**MANAGERIAL-ENTREPRENEURIAL ELITE AND MODERNIZATION:  
SOME FUNDAMENTAL QUESTIONS**

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Any serious discussion about managerial – entrepreneurial elite in postsocialist countries (especially in Croatia) is deeply determined by the author's perception of post-socialist modernization, as well as by the broader understanding of development potential of new social and economic elites in these societies. The author has tried in this paper to identify the key theoretical and research (empirical) approaches in the works investigating the managerial-entrepreneurial elite within last 15 years. At the end he presented his own approach applied in the research of Croatian managerial-entrepreneurial elite and elaborated throughout this book.

That approach is based on the concept of modernization potential of managerial-entrepreneurial elite which is defined as a conglomerate concept consisting of several interactive variables. That is why the modernization potential of managerial elite is a special product of individual energy and vision of managers/entrepreneurs and of some specific characteristics of enterprises/organizations they are managing with. Analytically speaking, the total modernization potential of new economic elite is dependent on following variables: a) formal level of education and new investments in further development of personal professional competences (*cultural capital of managers/entrepreneurs*); b) achieved profit level and number of new employed workers during last several years (*realized enterprise growth*); c) expected profit level and expected number of new workers in future several years (*potential enterprise growth*); d) realized turn-over on international markets (*level of international market exchange*); and e) the level of social investments in local and larger community (*social enterprise/corporate responsibility*).

Starting with this new concept, the author also elaborated a few general hypotheses relevant for further explora-

tion of empirical data (collected on a sample of 433 Croatian managers/entrepreneurs in year 2004). Looking from the enterprise level: if we have within the given economy more managers/entrepreneurs with higher cultural capital, with higher level of the realized and prospective enterprise growth, with higher level of international market exchange, and with higher level of enterprise/corporate social responsibility, we can speak about managerial-entrepreneurial elite with high modernization potential within given conditions.

Drago Čengić

**MANAGERS AND OWNERS-MANAGERS: MODERNIZATION  
POTENTIAL, OWNERSHIP STATUS AND ENTERPRISE  
GROWTH STRATEGIES**

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There are lot of theories, research approaches and authors who are trying to discover the main factors affecting the growth of small, medium and large enterprises and their respective growth strategies. It is very difficult to say which of these statements/theories are relevant for the recent development of Croatian entrepreneurship. There are no reliable data to test them. Trying to put some light on this issue, this paper presents some findings from the empirical research of the Croatian managerial-entrepreneurial elite realised in 2004 on the sample of 433 managers/entrepreneurs (selected from the enterprises reporting some profit growth in 2002) and operationalized by the use of the concept of modernization potential of managerial-entrepreneurial elite.

It was assumed that this potential is a synergic variable dependent on the personal (cultural) capital of an entrepreneur/manager, on the achieved and possible economic growth of the enterprise (measured by profit and employment growth), on the extent of business internationalization (making or not making business on foreign markets) and on the social responsibility of the leading enterprise personnel. The aim of the research was to collect relevant data about the modernization potential of Croatian managerial-entrepreneurial elite and to explore whether there are some significant differences between managers and owners-managers regarding present and future growth strategies of their enterprises.

The available data do not confirm any significant differences between managers and owners-managers regarding the realized and desired enterprise growth (in future several years). Generally speaking, the analyzed empirical data call for further sociological researches of this issue. New

researches should also give some answers on newly developed questions like are: a) which dimensions of modernization potential have the most determining impact on the successful and unsuccessful strategies of enterprise growth; b) which parts (if any) of new economic elite is producing higher economic and enterprise growth and is practicing socially more desirable type of enterprise/corporate social responsibility; and c) how to define and then to measure the real and desired social effects of enterprise growth within local and larger community?

Saša Poljanec-Borić

### MANAGERIAL-ENTREPRENEURIAL COMPETITIVENESS IN TRANSITIONAL PARTS OF GLOBAL ECONOMY: THEORETICAL FRAME AND EMPIRICAL INSIGHT

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Paper elaborates transitional entrepreneurship in the perspective of the global competitiveness. Globalization is considered as an economically neutral but culturally and politically asymmetrical phenomenon. Therefore, it determines the new political “geometry” of the global competitiveness.

Transitional status of Eastern Europe is defined to be the part of this new “geometry” thus supporting the striving of European Union to achieve competitive advantage, on the global market and prestige on the global political scene. Data from the survey of entrepreneurs’ attitudes, recently conducted in Croatia, on the group of 433 entrepreneurs sheds light on the problems of competitive private sector development in the country. Social implications of various business strategies revealed from the research are discussed. Finally, a stronger synergy between state as a regulator and private sector as a market promoter is recommended.

Goran Milas

### MANAGEMENT STYLES OF CROATIAN MANAGERS: A TYPOLOGY APPROACH

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In this paper the author deals with segmentation of Croatian top managers and entrepreneurs on the basis of empirical data reporting on their leadership and managing style, personal characteristics and organizational context. Empirical data were obtained in 2004 by the questionnaire/survey covering 433 Croatian managers/entrepreneurs from a representative sample of 800 successful enterprises (according to statistical data for the year 2002). The available data were processed in two steps: first, on the whole

set of variables the principal component analysis was made; then, the extracted factor scores were included into two-step cluster analysis.

The results of the carried-out analysis show that Croatian managerial elite can be divided in five logical clusters regarding their dominant leadership styles. These clusters are named as: *Dissinterested laissez-faire style*, *Strategic management*, *Impersonal managing style*, *Organizational control and Driven-by-profit style*. Trying to go behind observed management styles, the author concluded that they are dependent on the organizational context. It is probably true that the both factors (management style and organizational context) have deep impact on enterprise economic performance. That means that management styles which develop a carefully planned organization of work can improve business performance if they are linked with productive and collaborative organizational context, and vice versa: the chaotic and shallow managing style is highly correlated with poor enterprise performance.

Tomislav Smerić

#### MANAGERIAL-ENTREPRENEURIAL ELITE: JOB SATISFACTION AND THE ASSESSMENTS OF THE IMPORTANCE OF DIFFERENT JOB ASPECTS

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In the study on the sample of 433 members of the elite of managers-entrepreneurs, conducted in the course of 2004, it has been established that they express a fairly high level of job satisfaction and their estimates are somewhat more positive in comparison to those of the "general" population of the employed people in Croatia. In the group of the elite of managers-entrepreneurs more job satisfaction is expressed by younger and more educated respondents, those who have higher functions in enterprises, employed in firms that are limited liability companies (as opposed to those employed in the joint-stock companies) and employed in successful companies.

The assessments of the importance of different job aspects show that examinees judge intrinsic work values (like for example, interesting job in which one feels that can achieve something) as the most important, while less valued are extrinsic aspects (like for example possibilities to enjoy leisure time during weekends and holidays). It has been established that assessments of importance of aspects of a job are related to some of the sociodemographic characteristics of subjects, their status in the career/enterprise and characteristics/type of enterprise in which they are employed. Analysis of the latent structure of the assess-

ments of the importance of specific aspects of a job resulted in three factors defined as *personal development* and *comfort and material conditions*, which had already been established in earlier studies on the general population (of the employed people) in Croatia and the latent dimension *opportunity for advancement and taking over initiative* – specific for the managers-entrepreneurs group.

The investigation of the relationship between assessments of job satisfaction and ratings of the importance of specific aspects of a job has shown that higher ratings of job satisfaction are connected with the emphasis on the importance of the possibilities for accomplishments, meeting people and responsibility of the job and the job which offers opportunities to take over initiative, while in regard to the revealed factor structure of the importance of specific aspects of a job, a connection has been established between job satisfaction and the factor defined as *personal development*.

Vojmir Franičević

## ENTREPRENEURSHIP AND ECONOMIC GROWTH IN CROATIAN POSTSOCIALIST CONTEXT

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In this paper the relationship between entrepreneurship and economic growth in Croatian postsocialist context has been elaborated. The author strongly emphasized three key channels by which entrepreneurship is influencing deeply the economic growth; these are: dynamic of enterprise entry and establishing of new enterprises, innovativeness and competitiveness.

Although there is a need for further researches, there are already strong indications that: a) the level and population density in Croatia are lower from the optimum, b) there are some negative trends determining the supply side of entrepreneurship in Croatia (demographic, human and social capital) but also the demand side, the latter being determined by technological backwardness and low level of institution performance, c) the contribution of entrepreneurship to innovativeness and competitiveness is still very low and highly below the desirable economic growth Croatia today needs, d) the contribution of entrepreneurship to overall growth is influenced by the “rules of the game” which in a very negative way determine the allocation of entrepreneurship efforts.

Identified deficits call for long-term and brave policies which can improve entrepreneurship, innovations and competition. However, postsocialist political and social context produces many barriers for developing and implementing such policies in given circumstances.

Gordan Družić

**ECONOMIC POLICY AND DEVELOPMENT POTENTIAL  
OF CROATIAN ENTREPRENEURSHIP**

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This paper is based on the assumption that there is a positive correlation between a certain type of economic policy (applied in Croatia in last almost 12 years) and development potential of Croatian entrepreneurship. That hypothesis is demonstrated with newest statistical data and by the data from the other (desk) sources.

The author first presents the analysis of economic performance of the whole Croatian economy within the 1990–2003 period and the main sources of negative economic tendencies within it. He argues that it was the present economic policy which determined mostly the economic results of the Croatian economy in that period. It has profound impact on the enterprise sector in two important aspects: determining the entrepreneurship development and changing the structure of Croatian economy.

The carried-out analysis of the most successful Croatian enterprises (famous lists of “the best 400”) showed that there are no many fast-growing and to entrepreneurship oriented enterprises among them. At the end the author argues that there must be a change of the economic policy in Croatia. New economic policy should be more development oriented having in mind long-term economic and social needs of Croatian society.