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**A cross-cultural study on how to become an
entrepreneur in Australia and Finland**

Thesis

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Thesis abstract

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The following thesis aim was to investigate and provide information about the process of becoming an entrepreneur in Australia and Finland and the reasons for it. The aim of this study was to identify the factors and relevant variables between these two countries. This thesis brings out the essential elements and the things necessary to know for beginning a career as an entrepreneur. The thesis does not discuss all the fields of starting a business; the focus is on the most relevant issues, such as company forms and the start-up process itself.

The theoretical part of the thesis is based on the reasons why someone becomes an entrepreneur and on cultural factors in the target countries. The author also considered these things while preparing a questionnaire for interviews.

An essential part of the thesis consists of a comparison of the company start-up process by utilizing the information received by entrepreneurs. The information received from the entrepreneurs is based on an interview aimed at five Australian and five Finnish entrepreneurs. The author used mixed methods for the study, and the same questions for used in both countries. The questionnaire mostly consists of qualitative questions; however, also quantitative questions were included the questionnaire. The qualitative data was analysed and the quantitative data was used for collecting information about the entrepreneur's profile. All the entrepreneurs who participated in the interview were contacted by phone or face-to-face. For the interview, the author created a questionnaire that formed the base and structure for it. Based on the interviews, the author made an analysis of the differences between the two countries.

Based on analysis, it can be concluded that Australians consider the process of becoming an entrepreneur difficult where as Finns consider it very easy. An essential thing to consider is that, even though the Australians interviewed found the process difficult, Australia still has a higher degree of entrepreneurial activity than Finland.

Keywords: Hofstede, pull and push factors, GEM, entrepreneurship

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Opinnäytetyön tiivistelmä

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Opinnäytetyön tarkoituksena oli tutkia ja antaa tietoa yrittäjäksi tulemisen prosessista ja syistä Australiassa ja Suomessa. Tutkimuksen tavoitteena oli tunnistaa tekijät ja olennaiset muuttujat näiden kahden maan välillä, esimerkiksi prosessin vaikeus ja syyt lähteä yrittäjiksi. Opinnäytetyö käy läpi yrittäjäksi tulemisen prosessia. Opinnäytetyössä ei käydä perusteellisesti läpi kaikkia yrityksen perustamiseen liittyviä asioita, vaan siinä keskitytään ydinasioihin esimerkiksi yritysmuotoihin ja itse prosessin vaiheisiin.

Opinnäytetyön teoriaosuus pohjautuu syihin, miksi ihmiset lähtevät yrittäjiksi ja kulttuurillisiin tekijöihin jotka vaikuttavat yrityksen perustamiseen kohdemaissa. Myös näitä asioita opinnäytetyön kirjoittaja on sivunnut luodessaan haastattelu runkoa, jolla pyrittiin selvittämään syitä yrittäjäksi lähtemiseen ja prosessin vaikeutta kohdemaissa.

Opinnäytetyössä vertaillaan yrityksen aloittamisen prosessia käyttämällä hyväksi yrittäjiltä saatua tietoa. Yrittäjiltä saatutieto pohjautuu haastatteluun, joka on suunnattu viidelle australialaiselle yrittäjälle ja viidelle suomalaiselle yrittäjälle. Opinnäytetyön kirjoittaja käytti täsmälleen samaa kyselylomaketta molemmissa maissa. Kysymykset olivat pitkälti laadullisia mutta kuitenkin joukossa oli määrällisiäkin kysymyksiä. Laadulliset kysymykset opinnäytetyön kirjoittaja analysoi ja määrälliset hän keräsi luomaan tietoa yrittäjistä henkilöinä. Haastattelussa käytettiin valmiiksi luotua haastattelurunkoa, joihin yrittäjät vastasivat puhelimitse tai kasvotusten. Haastattelun perusteella opinnäytetyön kirjoittaja on luonut analyysin eroavista tekijöistä kyseisissä maissa.

Haastatteluiden ja analyysin jälkeen voidaan todeta, että australialaiset pitävät prosessia tulla yrittäjäksi todella hankalana. Suomalaisilta tulleet kommentit kertoivat prosessin helppoudesta. Olennaisesti huomioon otettava asia on, että Australiassa on siltikin korkeampi yrittäjäaktiivisuus kuin Suomessa, vaikka prosessi olikin haastateltavien mukaan vaikea.

Asiasanat: Hofstede, veto ja työntö tekijät, GEM, Yrittäjyys

TABLE OF CONTENTS

Thesis abstract	2
Opinnäytetyön tiivistelmä.....	3
TABLE OF CONTENTS	4
Terms and Abbreviations.....	6
Tables, Figures and Pictures.....	7
1 INTRODUCTION.....	8
2 THE THEORY OF ENTREPRENEURSHIP	11
2.1 Defining an entrepreneur and entrepreneurship.....	11
2.2 Motivations to become an entrepreneur	12
2.3 Hofstede's theory	12
2.3.1 Hofstede's theory of entrepreneurs.....	15
2.4 Global Entrepreneur Monitor	16
3 OVERVIEW OF AUSTRALIAN AND FINNISH ENTREPRENEURSHIP	18
3.1 Economy of Australia	18
3.2 GEM – Entrepreneurs in Australia.....	19
3.3 Steps to become an entrepreneur in Australia	20
3.3.1 Structures of the companies in Australia.....	22
3.3.2 Immigrant as an entrepreneur in Australia	23
3.4 Economy of Finland	24
3.5 GEM – Entrepreneurs in Finland.....	25
3.6 Steps to become an entrepreneur in Finland	26
3.6.1 Structure of the companies in Finland.....	28
3.6.2 Immigrant as entrepreneur in Finland	29
3.7 Australia and Finland cross evaluation.....	29
3.7.1 GEM.....	29
3.7.2 Hofstede's evaluation of countries	30
3.7.3 Evaluation of entrepreneurial activities based on Hofstede's theory	32
4 RESEARCH AND ANALYSIS	33
4.1 Research method.....	33

4.2 Implementation.....	34
4.3 Quality, reliability and validity	34
4.4 Questions	36
4.5 The outcome and analysis	37
4.5.1 Background information.....	37
4.5.2 Reasons to become an entrepreneur.....	38
4.5.3 Support	40
4.5.4 Process.....	41
5 CONCLUSIONS	43
BIBLIOGRAPHY	45
APPENDICES.....	48
APPENDIX 1: Cover letter	48
APPENDIX 2: The survey questionnaire.....	49

Terms and Abbreviations

ASIC	Australian Securities and Investments Commission
DIBP	Department of Immigration and Border Protection
EBO	Established Business Ownership
EEA	European Economic Area
ENTI	Entrepreneurial Intention
EU	European Union
FOF	Fear of Failure
GEM	Global entrepreneurship monitor
GLOBE	Global leadership and organizational behaviour effectiveness
GDP	Gross domestic product
IDV	Individualism vs. Collectivism
LTO	Long vs. short term orientation
MAS	Masculinity vs. Femininity
PC	Perceived Capabilities
PDI	Power distance
PO	Perceived Opportunities
TFN	Tax file number
TEA	Total early-stage Entrepreneurial Activity
UAI	Uncertain avoidance vs. uncertain acceptance

Tables, Figures and Pictures

Figure 1: GEM Key indicators 2014; Australia compared to Finland	22
Figure 2: Hofstede's dimension; Australia compared to Finland	24
Figure 3: Reasons for becoming an entrepreneur. Australia, Question 9.1	40
Figure 4: Reasons for becoming an entrepreneur. Finland, Question 9.1	39
Table 1: Country statistical profile: Australia 2016, GDP	18
Table 2: Country statistical profile: Australia 2016, Unemployment....	19
Table 3: Country statistical profile: Finland 2016, GDP	24
Table 4: Country statistical profile: Finland 2016, Unemployment.....	25
Table 5: Surveys questions 1–8	37
Table 6: Surveys questions 9 and 9.1	38
Table 7: Surveys questions 10 and 10.1	40
Table 8: Surveys questions 11–16	41

1 INTRODUCTION

This is a cross-cultural study on how to become an entrepreneur in Australia and Finland, the aim of which is to find out the differences between entrepreneurs' attitudes between these countries and how the company start-up process differs between them.

Background - In Australia, there are approximately 30,000 people with Finnish heritage living in the country. Almost 40 Finnish businesses operate or have their own offices in Australia and more than 100 Finnish enterprises have Australian representatives (Embassy of Finland Canberra 2015).

Timo Soini, the Finnish Minister of Foreign Affairs, visited Australia in February 2016. The purpose of the minister's visit was business promotion for both countries. Soini believes that Australia could be a huge market area for Finnish businesses and their staff. Soini sees that Australia is a very attractive country for Finnish companies, since interaction with the authorities works well, trade barriers are few, and Australians have money (Roslund 2016).

According to Soini, business opportunities in Australia for Finnish companies are especially promising in the cleantech sector, the processing of hazardous waste, and in the mining industry. Also, Finnish start-up firms are interesting for Australians (Roslund 2016). Following that information and the author's understanding, one can assume that the Finnish government will encourage companies to expand their business in Australia.

Minister Soini's visit was aimed at promoting business between both countries, Finnish companies to Australia and Australian companies to Finland. This leads us to the topic that the Author chose for her thesis: A cross-cultural study on how to become an entrepreneur in Australia and Finland. The Author wanted to focus on the reasons why someone would want to commence a company, how to open a business, but also what entrepreneurs should know before starting a company, for example about forms of companies. This thesis gives basic information to people who are planning to establish a company in those countries or for companies who

are planning to establish a subsidiary company, for example an Australian company who is planning to establish a subsidiary company in Finland.

The aim of this study is to bring up the main points of what you are required to know when establishing a company in Australia or in Finland. The aim is also to bring up cultural dimensions and differences that influence entrepreneurs.

The Author wanted to interview 10 entrepreneurs, five from Australia and five from Finland. The purpose is to get to know their thoughts about the process of starting a company in their country and their personal reasons for it. The Author uses the same questions in both countries. The Author also cross-evaluates answers at the end of this thesis.

The questionnaire mostly consists of qualitative questions, however, also quantitative questions are an important part of the questionnaire. The qualitative data is analysed and the quantitative data is used for gathering information about the entrepreneur's profile.

Structure of the thesis. The thesis has been divided into five main chapters, introduction, the theory of entrepreneurs, an overview of Australian and Finnish entrepreneurships, the case of study, and conclusions. By dividing the thesis this way, the author looks to create a smooth and easily understandable flow.

The first chapter, the introduction, was written to give information about the thesis in general. The second chapter is created to provide a strong theoretical base for the thesis. The aim of this chapter is to make familiar theories and researches that have had a big impact for the entrepreneurs in the entire world. Hofstede's theory opens cultural impacts which have an influence on countries, are they entrepreneurial or not. After Hofstede's theory, the thesis will open the reasons and motivations why someone would start to create a career as an entrepreneur, discussing the pull and push factors leading to it. Understanding Hofstede's theory and term pull and push factors paves way to understand the thesis case in general. This chapter also gives background information of the big research on entrepreneurs and entrepreneurial activities, which is known as GEM.

The third chapter gives overview facts of entrepreneurship in Australia and Finland. Its point is to dig in the economical situations, country's Hofstede cultural dimension and GEM's studies on target countries. The chapter provides information about steps to become an entrepreneur.

The fourth chapter deals with the research case and analyses the results. The research case is how the entrepreneurs can find the process of starting a company and the reason to start a company.

The last chapter consists of the conclusions that the Author made about the topic. It will sum up the study and resume the results of the analysis made.

2 THE THEORY OF ENTREPRENEURSHIP

2.1 Defining an entrepreneur and entrepreneurship

Entrepreneur: Most of the research investigates the self-employed as an entrepreneur (Dawson, Henley, Latreille 2009, x). Another explanation for the entrepreneur is:

“A person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk” (Dictionary [ref. 14.3.2016]).

Entrepreneurship: The word "entrepreneurship" comes from French, from the word "entreprendre," the meaning of which is "to undertake." Anyone who engages in entrepreneurship is called an entrepreneur. (Barnet [ref 14.3.2016])

Entrepreneurship is an intellectually and functionally multi-dimensional phenomenon that can be defined in countless ways, including a number of different concepts (Shane & Venkataraman 2000, 218–219). Entrepreneurship cannot be defined only on one dimension using, but different dimensions complete and reconcilable each other's (Baron 2004 [ref 14.3.2016]). The traditional aim of entrepreneurship is to make a profit by starting a company (Shane & Venkataraman, 218–219).

Gedeon's (2010, 16–17) definition for entrepreneurship is that entrepreneurship is a concept where a person owns a business or starts up a new company. It is when a person is doing it his or her own, in a team or inside another company. It involves starting a company without any resources and creating new values in the realm of business, government, and social values.

According to Bam (2015), entrepreneurship could be defined as followed:

"Entrepreneurship is the journey of opportunity exploration and risk management to create value for profit and/or social good."

2.2 Motivations to become an entrepreneur

Motivations to become an entrepreneur are strongly contributed to push and pull factors (Ristimäki 2004, 74). Push factors are necessity actions and pull factors are opportunities (Ciacomin et al. 2011, 4). Every entrepreneur has their own push and pull factors which motivated them to entrepreneurship. Someone's push factor can be another one's pull factor. Unemployment is one great example of that and it brings up an individual's motivations. (Ristimäki 2005 [ref 14.3.2016])

The push factors have a negative starting point for becoming an entrepreneur. It means the situation where starting a company was not the entrepreneur's first choice. Probably the biggest 'push' factor towards self-employment is unemployment or the threat of it. Outsourcing from the current company can push an employee to self-employing, if the current company does not offer other choices, other than self-employed or unemployment (Kantola, Kautonen, Vainio 2009, x.). Other push factor forward to the self-employment is frustrations with wages or personal crises (Terrance & Ujin 2004, 167).

The pull factors, in turn, will encourage peoples' decision, and increase the attractiveness of the option to become an entrepreneur (Kantola et al. 2009, x). Entrepreneurs who are "pull" motivated, are those who are attracted by a new idea. Those persons see the attractiveness of a business idea but also the personal benefits (Marković 2007, 15). The pull factor motivations can be also such as market opportunities, profit, social status, or a new product (Ciacomin et al. 2011, 4). According to Dawson (2009, 4), pull factors have a positive effect on starting a creating carrier as an entrepreneur. Those people, who have willingly started a company, have seen opportunities for better working conditions and self-expression.

2.3 Hofstede's theory

Every culture is different, so that is why people, groups and nations have confrontations because everyone feels, think and acts differently. Still at the same time, those same people, groups and nations are dealing with the same kind of common

problems that requires co-operation to get their needed solution. Economic, ecological, political, hygienic and military developments do not stop at the borders. By understanding the difference of cultures and their way to think is a condition to get solutions to work on worldwide level (Hofstede & Hofstede 2005, 2). Also understanding cultures in relationship to innovation, creativity and entrepreneurship promote the understanding why, how and when cultural phenomena's raise their head across different cultures (Dubina & Ramos 2016, x).

Hofstede's research of the late nineteenth century recognised four different cultural dimensions: Power distance, Uncertainty avoidance, Individualism vs. Collectivism, Masculinity vs. Femininity. Later Hofstede added the fifth dimension, Long and Short term orientation (Hofstede & Hofstede 2005, 23–24).

Power distance (PDI): Cultures may differ how they distributed their power. Power distance explains facts that all societies and individuals are not equals. Those countries that have big power distance have clear hierarchies of powers at work, as well as at home. Those who have the power are expected to show it and use it. This appears as an example for leaders and seniors who consider belonging special rights. Low power distance cultures in turn emphasise the equality for all. This appears everywhere in the society, home and work. Great examples for that are directors at work talking and asking employees opinions and leaders do not need to have complete control, they can trust people to self-initiate (TTS [Ref. 16.4.2016]). Hofstede (2005, 59) gives an example that small power distance societies managers rely strongly on experiences of their own, when large power distance societies managers rely on formal rules.

Individualism vs. Collectivism (IDV): This dimension deals with the cultural facts, whether the individual is seen as important as a community or group (Kulttuurienvälisiä eroja [ref. 16.4.2016]). It is about if a person's self-image is defined by terms "We" or "I" (Flowers 2016, 98). People in collectivism cultures learn when they are young to think for themselves as part of the group or family and they speak about themselves as "we", while people from individual cultures tend to refer to themselves as "I" (Hofstede & Hofstede 2005, 92). Most of the countries are collectivism thinkers. Group interest and goals set ahead. Individual is not central, the family is more relevant than the individual. Individual culture basis is to

safeguard individual's rights as well as obligations (Kulttuurien välisiä eroja [ref.16.4.2016]).

Masculinity vs. Femininity (MAS): when the cultures are masculinity, dominant values in society is achievement and success. They prefer assertiveness and heroism and are surrounded by materialism. These societies are very competitive, ambitious and they need admiration (Hofstede & Hofstede 2005, 136). This culture is ego oriented, money is important and people live in order to work (Hofstede & Hofstede, 147).

Feminine culture on the other hand values taking care, serving and helping others and quality of life as important. People from these cultures are cooperating and modest (Hofstede & Hofstede 2005, 136). Work is more for order to live (Hofstede & Hofstede, 147).

Uncertainty avoidance (UAI) dimension deals with the societies where uncertainty tolerance is high or low. Culture members feel either comfortable or uncomfortable in unstructured situations. Those kinds of situations are surprising, unknown or somehow different from usual (Hofstede & Hofstede 2005, 164).

People who are from strong uncertainty avoiding countries try to avoid unstructured situation every possible way. These situations can be for example strict laws and rules (Hofstede & Hofstede 2005, 194). Those people have longer services in the same employer (Hofstede & Hofstede, 189), feel less happy and are more worried (Hofstede & Hofstede, 181).

Uncertainty accepting or in other words to say, weak uncertainty avoidance, are the opposite type. They try to have less rules and they are more contemplative and phlegmatic and do not express emotions easily under pressure (Hofstede & Hofstede 2005, 194). They change employers more often (Hofstede & Hofstede, 189), feel free and are happier (op. cit. 181).

Long vs. short term orientation (LTO) is the last Hofstede's dimension. In short-term oriented cultures, people appreciate quick results and traditions (Hofstede & Hofstede 2005, 212). For this culture leisure time is very important. They do not

often invest big money and a one-year profit is more important than a ten-year profit (Hofstede & Hofstede, 225).

Long-term orientated are different, they respect circumstances more than traditions (Hofstede & Hofstede 2005, 212). They have savings and usually funds for investment, for them they hold importance for profit after ten years not immediately (op. cit. 225).

2.3.1 Hofstede's theory of entrepreneurs

Hofstede's theory has been a starting point for many theories of entrepreneurship. Below are two different cases.

Project of GLOBE; Global Leadership and Organizational Behaviour Effectiveness focus on researching how understanding the dimensions can effect and improve entrepreneurs and leaders. The project's main tool is Hofstede's theory. GLOBE research has not used Hofstede's theory in full, only parts of it and GLOBE have added some other perspectives to the study (Hisrich 2016, x).

Other good study is from Dubina and Ramos (2016). They use Hofstede's theory without adding other perspectives. Dubina and Ramos highlight at the beginning of their analysis how useful Hofstede's theory (1980) is to understand the attitudes and behaviours at work, for example leadership and motivations or the relationship between societies and how these all have an impact on entrepreneurial spirit in different cultures. Dubina and Ramos used Hofstede's four dimensions and their relations to entrepreneurship.

One common fact appears on each, same dimensions have an impact to the entrepreneurial spirit of the cultures. Generally, more entrepreneurial cultures are found to have:

- High power distance
- High individualism
- Low uncertain avoidance

- High masculinity (Dubina & Ramos 2016, 152).

2.4 Global Entrepreneur Monitor

GEM, the Global Entrepreneurship Monitor, was started in 1999 as a joint project between two universities (GEM [ref.16.4.2016]). The purpose of this project was to consider why some countries are more “entrepreneurial” when compared to others. GEM is the largest resource of information on the topic, publishing a range of global, national and entrepreneur special reports on a yearly basis. In numbers, GEM has seventeen years of data, over 200,000 interviews in 100 different countries. There are more than 300 academic and research institutions and over 200 funding institutions in this project.

The Global Entrepreneurship Monitor is the world’s top study of entrepreneurship. It is huge, well-coordinated and internationally executed data (GEM [ref.16.4.2016]). GEM provides high quality information, reports and stimulating stories, which greatly improve the understanding of the entrepreneurial trend. Global Entrepreneurship Monitor is a growing group of people who believe in the transformative benefits of entrepreneurship. In the economy GEM considers two elements. First one is business behaviour. The second one is the attitude of individuals and their national background and how that has an effect on entrepreneurship.

GEM uses the National Expert Survey and the Adult Population Survey for data collecting (GEM [ref.16.4.2016]). The Adult Population Survey tracks the entrepreneurial attitudes, activity and ambitions of individuals. It is managed to a minimum of 2000 adults in each country. The National Expert Survey’ monitors nine factors that are believed to have big impact on entrepreneurship. Those are Entrepreneurial Finance, Cultural and Social Norms, Market Openness, Government Entrepreneurship Programs, Entrepreneurship Education, Physical Infrastructure, Commercial and Legal Infrastructure, Research and Development Transfer and Government policy.

Below, there is an explanation of the GEM key indicators that are an important part of their annual research. GEM describes these indicators in the following way:

Established Business Ownership Rate, this means a percentage of the 18-to-64 population who currently started a business and are an owner/manager of it. Owning and managing means, that running the business has paid wages, salaries, or any other payments to the owner for at least 42 months (GEM [Ref 27.4.2016]).

Entrepreneurial Intention, the key indicator is from a percentage of 18-to-64 population who intend to start a business within three years or who are latent entrepreneurs (GEM [Ref 27.4.2016]).

Fear of Failure indicator is the share of the 18-to-64 population who have a fear of failure and they indicated that would prevent them from setting up a business (GEM [Ref 27.4.2016]).

Perceived Capabilities, is the share of the 18-to-64 population who believed they have the required knowledge and skills to be an entrepreneur (GEM [Ref 27.4.2016]).

Perceived Opportunities, is a percentage of 18-to-64 population who see that they have good opportunities to start a company near the area where they live in (GEM [Ref 27.4.2016]).

Total Early-stage Entrepreneurial Activity (TEA), is a percentage of 18-to-64 population who have a plan to start a career as an entrepreneur or are an owner of a new business (GEM [Ref 27.4.2016]).

The above indicators are an important part of later chapters where indicators have been used as a tool to compare two different countries.

In simple words, GEM is an international entrepreneurial research, to which 60 countries take part in annually. GEM analyses entrepreneurial activity nationally and globally. The program has three main goals: to measure entrepreneurship nationally and compare it between different countries, to find factors that impact entrepreneurship and recognise habits that could improve entrepreneur's activity nationally (Turun Yliopisto [Ref 16.4.2016]).

3 OVERVIEW OF AUSTRALIAN AND FINNISH ENTREPRENEURSHIP

3.1 Economy of Australia

Australia is a free-market democracy and has recorded not to have a single recession for almost 25 years. Australian powers are good natural resources, entrepreneurial development, effective system of government, independent bureaucracy and a well-functioning legal system (Heritage – Australia [ref 13.5.2016]).

The Organisation for Economic Co-operation and Development (OECD) provides information of economic situation almost from every country. As can be seen from the following information from OECD, Australia economy growth has been good. OECD provides information by USA Dollars (OECD, [ref. 8.5. 2016]).

Table 1: Country statistical profile: Australia 2016, GDP (OECD, Australia 2016).

Country statistical profile: Australia 2016

	Unit	2008	2009	2010	2011	2012	2013	2014	2015
Production and income									
GDP per capita	USD current PPPs	39 512	41 066	42 218	43 702	43 081	46 826	46 281	..
Gross national income (GNI) per capita	USD current PPPs	38 132	39 471	40 522	42 371	41 996	45 575	45 324	..
Household disposable income	Annual growth %	6.8	1.4	5.0	3.7	0.6	2.1	1.9	..
Economic growth									
Real GDP growth	Annual growth %								2.5
		1.8	2.0	2.4	3.6	2.4	2.5	2.3	e
Net saving rate in household disposable income	%	9.9	9.1	10.1	11.1	10.2	9.7	9.2	..
Gross fixed capital formation	% of GDP	2.1	2.1	3.8	11.1	2.3	-1.3	-3.4	..

GDP, Gross Domestic Product is the standard measure tool of the value of final goods and services what a country has produced during a period, usually per a year. GDP will minus the value of imports (OECD [ref. 8.5.2016]). Australian Real GDP annual growth has been good and from the table can be seen that financial crises in 2008 did not have effects on Australia as they had on Europe.

Table 2: Country statistical profile: Australia 2016, Unemployment (OECD, Australia2016).

Country statistical profile: Australia 2016

	Unit	2008	2009	2010	2011	2012	2013	2014	2015
Unemployment									
Unemployment rate: total labour force	%	4.2	5.6	5.2	5.1	5.2	5.7	6.1	6.1
Unemployment rate, men: male labour force	%	4.0	5.7	5.1	4.9	5.1	5.7	6.0	6.1
Unemployment rate, women: female labour force	%	4.6	5.4	5.4	5.3	5.3	5.6	6.2	6.1
Long-term unemployment: total unemployed	%	14.9	14.7	18.6	18.9	19.0	19.1	21.8	..

Unemployment rate calculated from total labour force. Australian unemployment rate has been rising up slowly. 2008 the unemployment rate was 4.2 percent and 2015 6.1 percent.

3.2 GEM – Entrepreneurs in Australia

In chapter 2.4, the author mentioned GEM, Global Entrepreneurship Monitor project. This chapter will discuss GEM research in Australia.

Australia is one of the countries among UK, USA, Qatar and Netherlands, which scored above the average for Entrepreneurial Employee Activity and business start-ups (GEM Australia 2014, 1). Recognised chances and abilities for new business start-ups are strong, about 47 percent of Australians think that they have the skills to start a business, and about 46 percent believe to have opportunities for it. This is more than average for developed countries, but a little below countries like the USA that has the highest score. 67 percent of Australian entrepreneurs believe that successful entrepreneurs have high status. 10 percent of the adult population has entrepreneurial intentions.

Total Early Stage Entrepreneurial (TEA) activity in Australia was 13.1 percent in 2014. Women's participation in Australia's entrepreneurs is quite high and ranked in the fourth place across other developed countries. Still, the Total Female Early Stage Entrepreneurial Activity of 10.3 percent is much less than the Male TEA of 16.0 percent. The gap is wide, comparing to countries like Switzerland that has an equal number of male and female entrepreneurs (GEM Australia 2014, 1). It was estimated that there were 2.9 million entrepreneurs of early stages who engaged

actively in starting and running new businesses. This is 13.1 percent of the whole country's adult population. The female portion was estimated to be 39percent, near 1.1 million (GEM Australia 2014, 7).

Even though these are positive findings, other aspects of the 2014 GEM results raise concerns. Youth entrepreneurship is comparatively low in relation to others groups and only 8.7percent are creating new businesses. It is a matter of fact that all countries show lower entrepreneurial ambition of young people (GEM Australia 2014, 1)

Another worry about Australia's profile in 2014 is the rising number of people forced into entrepreneurship because they do not have other sources of income, or opportunities for work. The number is still only 2.3 percent, but there was 47 increase of necessity driven entrepreneurship since Australia's last participation in GEM in 2011.39 percent of the people, who believed in good opportunities for entrepreneurship, reported having a fear of failure to do it. Although the rate of businesses discontinued is at a similar level to other developed countries, analysis conducted by the Australian Study of Entrepreneurship indicated that catastrophic failures were minimal. Entrepreneurial intention is currently at 10 percent in Australia that is 2 percent drop from 2011, when 12 percent were expecting to start a business in the next three years. This is opposite to other developed countries, where intention has risen 2 percent (GEM Australia 2014, 1).

3.3 Steps to become an entrepreneur in Australia

Process to become an entrepreneur in Australia can be divided into 9 steps. Steps relevantly depend on decided structure of the business.

Choose business structures and types, is the first step because all the following steps depend on the structure. In chapter 3.3.1, the author explains different options for the structures.

Apply for an Australian Business Number (ABN). An ABN does not replace entrepreneur personal tax file number, but it is used for various tax and other busi-

ness purposes. Not all entrepreneurs need an ABN; it depends on the structure of the company (Australian Government – Business [ref 9.5.2016]).

Register the business name and trademark. The business name registering is not mandatory for all business structures; some structures are allowed to trade as an entrepreneur personal name (Australian Government – Business [ref 9.5.2016]).

Register a website name. Not a mandatory step but recommended (Australian Government – Business [ref 9.5.2016]).

Register for necessary taxes where applicable. Registration for taxes are dependent on the type of business. Some tax registrations are compulsory for all businesses and others may be compulsory depending on the business' type and size. Some registrations are totally optional, but can assist with the running of the business (Australian Government – Business [ref 9.5.2016]).

Business and company registration: for starting and obtaining permission for the chosen business activities (Australian Government – Business [ref 9.5.2016]).

Australian Business Account registration this is to manage licences and permits (Australian Government – Business [ref 9.5.2016]).

Business insurance requirements will vary according to the type of business, business structure, size, and the industry. Some forms of insurance are compulsory, for example:

- Workers' compensation insurance to protect employees from an accident or sickness
- Motor vehicle, insurance
- Personal injury insurance
- Depending on type, some companies are required to take out public liability insurance (Australian Government – Business [ref 9.5.2016]).

Selling goods and services, entrepreneurs have to understand legal obligations and requirements under the fair trading law (Australian Government – Business [ref 9.5.2016]).

3.3.1 Structures of the companies in Australia

Starting a company starts with the process of choosing a structure for the business. When choosing the structure one must keep in mind that there are always advantages and disadvantages for each structure. It is important to investigate and familiarize each option carefully, as choosing a business structure is an important decision and will affect other matters. For example:

- Tax compliance
- License requirements
- Employment options
- Personal liability
- Entrepreneurs own control over the business
- Paper work and setting up costs.

For small business, there are four commonly used options for structures of companies in Australia (Australian Government – Business [ref 9.5.2016]).

Sole trader: This is the easiest and a relatively inexpensive business structure. As a sole trader, the entrepreneur will make generally all the decisions about starting and running the business, also the entrepreneur can employ people. This business structure means that the person trading as the individual is legally responsible for all aspects of the business. This includes all of the company's debts and losses. These losses "belong" to the individual and cannot be shared with others. Entrepreneur of this type use a personal Tax file number (TFN) that allows them to lodge a yearly income tax return (Australian Government – Business [ref 9.5.2016]).

A company is one type of business structure. This type of business involves higher set up and running costs than other structures. The entrepreneur can consider a company structure when starting or growing the business. The main difference to the sole trader is that the company structure is a separate legal entity and has a liability limited. It means that the company has the same rights as a natural person and the company can sue and be sued. The company's owners or shareholders can limit their personal liability and generally they are not responsible for company debts. This company structure required to be registered with the ASIC, Australian Securities and Investments Commission (Australian Government – Business [ref 8.5.2016]).

A partnership is a business structure that involves more than one person who carries on the business. Person's number can be up to 20. This structure is not a separate entity; it's like a sole trader where business partners have to be liable for the debts personally but require a separate TFN (Australian Government – Business [ref 8.5.2016]).

Trust is an entity that holds property or business assets for the benefit of others. This is expensive to operate and set-up. It is treated like a company (Australian Government – Business [ref 9.5.2016]).

3.3.2 Immigrant as an entrepreneur in Australia

A person, who wants to start a business in Australia, but is not an Australian citizen or permanent resident, must have the correct visa to enter the country. Also a person must pass the government requirements which apply to Australian business, as citizens and permanent residents (Australian Government – Business [ref 9.5.2016]).

The Department of Immigration and Border Protection, DIBP, is responsible to grant Australian business visas. For persons who want to commence a business, options are Business Innovation and Investment visas. A person who owns a company, or part of the company that have asset of over 1.5 million AUD and annual turnover is at least 3 million AUD or have at least 1 million AUD to establish

the business, can apply for business talents visas. More information about visas is available at DIBP's website (Australian Government – Business [ref 9.5.2016]).

3.4 Economy of Finland

Finland has open-market policies and that support dynamic trade and investment. The situation of the Finnish economy is tricky. The growth is significantly slower than the rest of the euro area. Finland's export market development seems quite quiet, a boost from there is not expected to come in the near future. Growth accumulates 0.7 percent in 2016 and 1.0 percent in 2017 (Euro & Talous 2015 [ref 10.5.2016]). In 2014, Finland's credit rating went down from triple-A to AA+. Credit rating means the evaluation of ability of a business, individual or a government to pay back the debt (Tradingeconomics [ref 19.4.2016]).

As in the section about the economy of Australia, the following presents two important facts that have an effect on the economy.

Table 3: Country statistical profile: Finland 2016, GDP (OECD Finland, 2016).

Country statistical profile: Finland 2016

	Unit	2008	2009	2010	2011	2012	2013	2014	2015
Production and income									
GDP per capita	USD current PPPs	39 730	37 534	38 323	40 251	40 437	40 951	40 684	41 266
Gross national income (GNI) per capita	USD current PPPs	39 804	38 016	38 842	40 434	40 648	41 091	41 103	..
Household disposable income	Annual growth %	2.3	1.1	2.9	1.0	-0.2	0.4	-1.1	..
Economic growth									
Real GDP growth	Annual growth %	0.7	-8.3	3.0	2.6	-1.4	-0.8	-0.7	0.5
Net saving rate in household disposable income	%	-0.2	3.4	3.2	1.3	0.7	1.5	-0.2	..
Gross fixed capital formation	% of GDP	0.3	-12.5	1.1	4.1	-1.9	-4.9	-2.6	-1.1

Finland's economy has been uncertain and slowly growing over the past five years. Fiscal stability has suffered badly. Government spending amounts to half of the GDP and this has proven a drag on the economy (Heritage – Finland [ref 13.5.2016]).

Table 4: Country statistical profile: Finland 2016, Unemployment (OECD Finland, 2016).

Country statistical profile: Finland 2016

	Unit	2008	2009	2010	2011	2012	2013	2014	2015
Unemployment									
Unemployment rate: total labour force	%	6.4	8.2	8.4	7.8	7.7	8.2	8.7	9.4
Unemployment rate, men: male labour force	%	6.1	8.9	9.1	8.4	8.3	8.8	9.3	9.9
Unemployment rate, women: female labour force	%	6.7	7.6	7.6	7.1	7.1	7.5	8.0	8.8
Long-term unemployment: total unemployed	%	18.2	16.6	23.6	22.6	21.7	21.2	23.1	..

The Finnish unemployment rate has been growing in the past few years. From 2008 to 2015, the unemployment rate grew from 6.4 percent to 9.4 percent.

3.5 GEM – Entrepreneurs in Finland

In chapter 2.4, the author mentioned GEM, the Global Entrepreneurship Monitor project. This chapter opens GEM's research in Finland.

GEM interviews 200 working-age individuals every year in Finland, as well as 40 people who are experts in entrepreneurship (GEM Finland 2014, 1).

Finland's total early stage entrepreneurial activity (TEA) is 5.6 percent. Female share is 4.6 percent and the male TEA is 6.6 percent (GEM Finland 2014, 42). In 2014 Finland's entrepreneurial employee activity was 4.5 percent, which is a significant dropped from 2011, when it was 8 percent. That was then one of the highest amongst innovation-driven economies (GEM Finland, 26). In Finland, entrepreneurial employee activity is lowest among individual's aged 18–24, 1.5 percent (GEM Finland, 30). If a person is highly educated and a middle-aged male person, they are more likely to be an entrepreneur than other groups (GEM Finland, 17). Men showed overall more entrepreneurial tendencies than women, which is the same as other countries. The study indicates that in Finland men's entrepreneurial activity are more often based on opportunity, where women are more necessity based (GEM Finland, 33–32).

Individuals, who do not have a post-secondary degree, perceive less capability for entrepreneurship than the higher educated. As far as the regulations, Finns perceive their country to be more suitable for entrepreneurship than other EU citizens do. In fact, a study in 2014 shows that 42 percent of Finnish adults believe they have good opportunities for starting a business. The 18-to-24 aged group has the lowest view on their entrepreneurial capabilities. Gender does not make a difference with the perception of opportunity. On the other hand, gender is related to the perception of entrepreneurial capabilities. Men are more confident than women in this area, they believe in their capabilities more than women (GEM Finland, 17).

35 percent believe that they have the knowledge and skills to become an entrepreneur. This relatively high number is similar to their neighbours, Sweden and Norway. However, there was a low level of business start-ups in Finland; only 8 percent of the adult population are intending to become an entrepreneur in the next three years (GEM Finland 2014, 18) and 6 percent of the adult population are actively involved in starting a business (GEM Finland, 4). This cannot be explained by fear of failure, because Finland scored 37 percent (GEM - Finland [ref 14.5.2016]), on that and it is below EU-average and the businesses that were created are stable and active (GEM Finland, 18). Most likely the cause is the continuing downturn of the Finnish economy, together with the public sector and big corporations being able to offer good career opportunities and high profit in a stable environment (GEM Finland, 36).

Finland entrepreneurship is considered to be an important part of growing the economy. GEM-study confirmed that Finland has a business friendly economy and a working support system for entrepreneurship. Overall the business environment and economic performance are good and Finland is still a top member of the EU, even though it is taking longer than preferred to return from the economy's downturn (GEM Finland 2014, 36).

3.6 Steps to become an entrepreneur in Finland

Business plan, an entrepreneur has to think about how to make the business succeed, what is the selling price, how much the sale has to be for the business to

make profit. If possible, make market research for the business idea. The entrepreneur has to consider if the product or service is needed and how the consumer is going to find out about it. (Uranus [ref 14.5.2016])

Choosing a business form is an important part of the process of becoming an entrepreneur (Uranus [ref 14.5.2016]). On the next chapter (3.6.1) different business structures in Finland are introduced.

Choose a name for the business

Obtain finances; the entrepreneur has to take into consideration how much money is required to fulfil the business idea. For example, necessary purchases, insurances and possible wages. Funding is possible to get from private investors, taking a loan or self-funded. Also different parties give support for beginning entrepreneurs. Public Employment office, Finnvera and Sitra provide support for starting businesses, for example with “start-up money” (Uranus [ref 14.5.2016]).

Permits: for running some business it is a requirement to have the correct permits and licences. In these cases, the entrepreneur must apply for a permit before starting the business and notify the trade register. For example, investment funding activity, telemarketing and alcohol service are subject to licences (Uranus [ref 14.5.2016]).

Start-up notification is the most important and official stage. There are different notification forms for different business forms. With start-up notification, the business is registered and also signed up for the trade register, employer register, preliminary tax withholding register and tax register. When the notification is accepted the business gets the important business ID. This individualises the business and is needed when dealing with public officers for instance (Uranus [ref 14.5.2016]).

Protecting the business idea: The entrepreneur can protect his/her innovation and products from copying by patenting it. The entrepreneur can apply for protection from the Finnish Patent and Registration Office (Uranus [ref 14.5.2016]).

Other important things to do are: open up a bank account, arrange accountancy and insurances such as self-employed person's pension (Finnish; YEL) (Uranus [ref 14.5.2016]).

3.6.1 Structure of the companies in Finland

Company forms have differences that have to be considered. For example:

- How many founders are needed
- Required capital
- How much risk and responsibility
- Withdrawal of assets and profit distribution
- Taxing of companies (yritysuomi [ref 14.5.2016])

Private entrepreneur or private trader (Finnish: yksityinenelinkeinonharjoittaja), is an entrepreneur who is the member of European Economic Area (EEA), and who has established a company in Finland (yritysuomi [ref 14.5.2016]). The EEA countries are the EU countries, Norway, Iceland and Liechtenstein (PRH [ref 29.4.2016]). For this form it is enough to have only one founder. The personal income of the entrepreneur is added up together with the net result of the business activity. Some of the entrepreneur's earnings are taxed as capital income and part for earned income (yritysuomi [ref 14.5.2016]).

General partnership (Finnish: avoinyhtiö) has to have at least two partners. It should usually include the words "avoinyhtiö" unless the company form is otherwise apparent in the trade name. The trade name has to be in Finnish or Swedish. The foundation investment is not needed, it means that this kind of company form may be founded without the cash input, only a work input of the partner(s) is enough (Holopainen 2006, 16). General partnership is taxed the same way as the private entrepreneur (yritysuomi [ref 14.5.2016]).

Limited partnership (Finnish: kommandiittiyhtiö) has to have two or more founders, at least one of them has to be the responsible partner and one has to be a silent partner. The silent partner is a person who has only invested money for the company. The responsible partner is personally liable for the debts of the company and the silent partner commitments to the company's debt limit for the amount he or she has invested (Holopainen 2006, 24–25).

Limited company (osakeyhtiö) can have one or more founders. The limited companies are divided into two different ways, into private and public limited companies. The minimal share capital for private limited companies' liability is 2500 € and for public limited companies 80 000 € (yrityssuomi [ref 14.5.2016]).

Co-operative (osuuskunta) has at least one founder and the maximum amount of members or minimum capital is not specified. The aim of co-operative company's is not to get the highest possible profit, but to provide needed services to the members (yrityssuomi [ref 14.5.2016]).

3.6.2 Immigrant as entrepreneur in Finland

The following things are required to start a business in Finland. The person has to be a resident of EEA (Holopainen 2006, 11) or if the person is living outside the EEA, he or she has to apply for a permit to start a business (Holopainen, 195).

3.7 Australia and Finland cross evaluation

This part will open the key facts that differ between the two countries. It will open GEM reaches key facts and also Hofstede's theory's fact comparing Australia and Finland.

3.7.1 GEM

The key indicators of GEM have shortened for the diagram in the following ways: TEA; Total early stage entrepreneur activity, EBO; Established Business Ownership, PC; Perceived Capabilities, PO; Perceived Opportunities, ENTI; Entrepreneurial Intention and FOF: Fear of Failure.

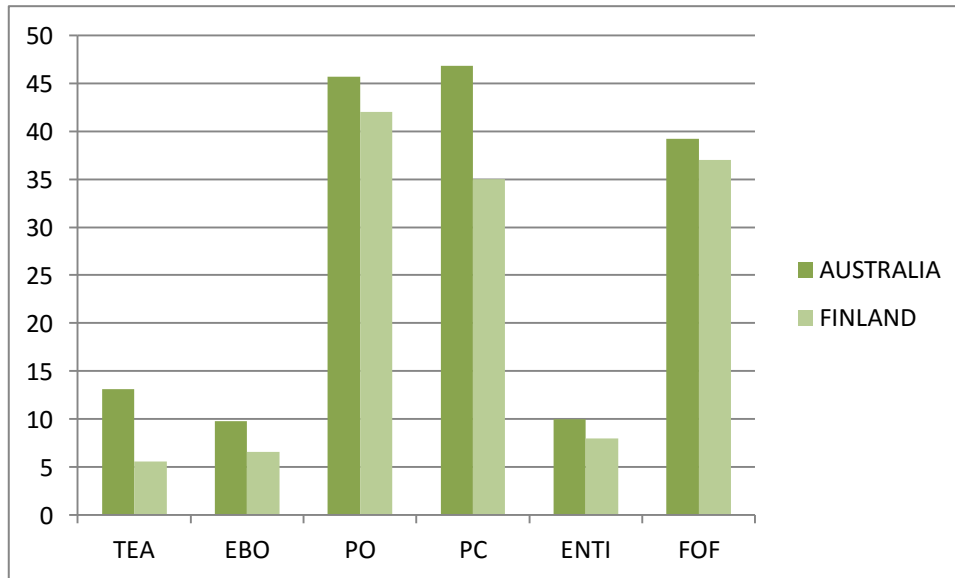


Figure 1: GEM Key indicators; Australia compared to Finland.

As per the above diagram, one can see that Australians have a higher percentage of all indicators. TEA is a lot higher which means Australians have more entrepreneurial actions comparing to Finland. Even though the fear of failure is also higher it did not influence the fact that Australians start business more than Finnish people. Looking at the chart one might say that the Australian's are more entrepreneurial-spirited than the Finns.

3.7.2 Hofstede's evaluation of countries

Information has been collected from Hofstede's book (2005) where they have collected information from 74 countries. Hofstede's have also created a list where they rank countries scores on each dimensions.

Power Distance dimension Australia scores 36 points, ranked the 62nd and Finland score 33 and ranked the 66th, which means that power distance is low on both countries (Hofstede & Hofstede 2005, 44). It can be stated that in Australian and Finnish organizations, organisational hierarchy is only for convenience and managers and employees have been expected to be informed in both ways.

Individualism dimension Australia scores 90 points and Finland 63; this means both cultures are individualist societies. Australian scores are ranked the second on the ranking list and the Finnish at the 21st (Hofstede & Hofstede 2005, 78). Both

countries societies' way of thinking is to take care of only themselves and their immediate families. Children learn to think about themselves in the term "I" not "We". Within the organisation culture, employees are expected to be working as individuals and promotion decisions are expected to be based on skills and rules not personal interest or family members (Hofstede & Hofstede 2005, 104).

Masculinity vs. Feminine dimension was the only one where Australia and Finland scored differently. Australians are considered as a Masculine society and scored 61 points and ranked 20th. Finland scored 26 points and ranked on 68th on list which means Finland is considered as a feminine society (Hofstede & Hofstede 2005, 121). In Finland careers are optional for women and men but masculinity society as Australia careers are optional for women but compulsory for men (Hofstede & Hofstede, 147).

Uncertainty Avoidance dimension: Australia scores in-between on this dimension, 51 points and Finland scored 59 points (Hofstede & Hofstede 2005, 168). Finland can say they belong to a strong uncertainty avoiding countries group. They have a need for rules, they work hard and they are punctual (Hofstede & Hofstede, 176, 189).

Long Term Orientation dimension Australia and Finland are both normative cultures. Australia scored 31 and Finland 40. On the ranking list, Australia is the 25th–27th and Finland the 16th. This ranking list differs from other dimensions that there are only 39 countries which participate (Hofstede & Hofstede 2005, 211). In this kind of society people's saving for the future is small and they concentrate on quick results (Hofstede & Hofstede, 255).

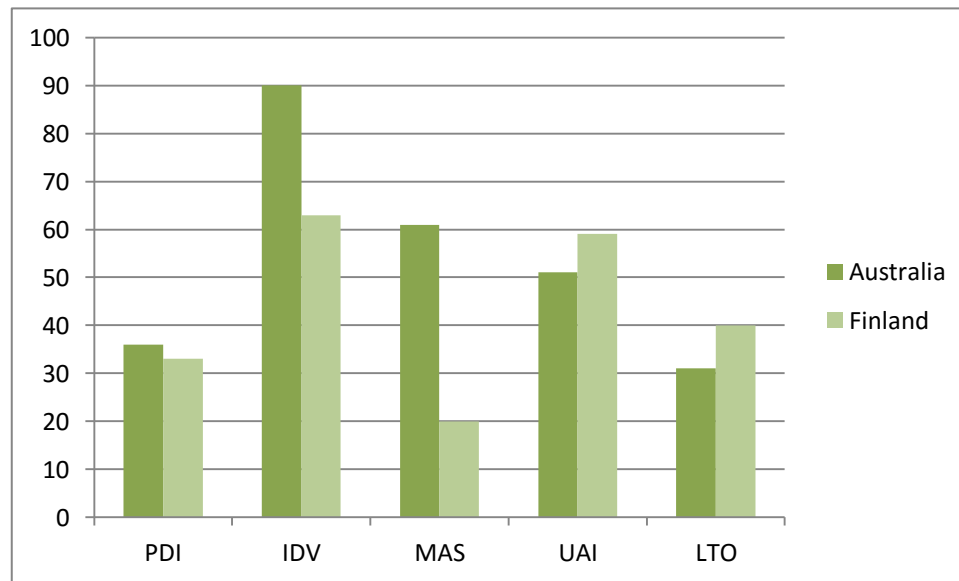


Figure 2: Hofstede's dimensions; Australia compared to Finland.

3.7.3 Evaluation of entrepreneurial activities based on Hofstede's theory

Chapter 2.3.1 dealt with two studies that support the effectiveness of Hofstede's cultural dimensions for entrepreneurship. Those dimensions that had an effect on entrepreneurial acting were high power distance, high individualism, low uncertainty avoidance and high masculinity.

Australian's dimension results are low PDI, High IND, High MAS and middle UAI. Compared to the dimensions that have been noticed to effect to the entrepreneurial, one can see that Individualism and masculinities are the same; uncertainty avoidance was in the middle, so one cannot say exactly which way is more. Power distance is low which means there is only one difference of entrepreneurial activity dimensions. Referring to previous chapter, the author has reported that Australian TEA in 2014 was 13.1 percent and Australia was one of the five countries who have ranked top of the countries of start-ups and entrepreneurial employee activity.

Finland dimension's results are low PDI, high IND, low MAS and high UAI. Compare to the entrepreneurial activity dimensions, only high individualism matches. Finnish TEA in 2014 was only 5.6 percent.

4 RESEARCH AND ANALYSIS

4.1 Research method

The author has chosen interview as the research tool for this thesis. Interviewing is only one of the research tools but for this thesis it was the best option.

Interviewing is flexible and it is a good fit for many different kind of research. With this method the interviewer can obtain more information than with the questionnaire alone. There are many different interviewing techniques and can be organised in many different ways. Interview types differ from each other by the aim and the way they operate. It is a method which consists of part listening and part talking (Hirsjärvi & Hurme 2008, 11). This thesis focuses on “focused interview” – method. This method is explained below.

Hirsjärvi and Hurme (2008, 9) created their first book about this subject in 1979, and they gave the name “teemahaastattelu” to this method. The closest English equivalent name is ‘focused interview’. This term appeared in Merton, Kendal and Fiske study on 1956 (Hirsjärvi & Hurme 2008, 9). Later in this thesis, the term “Focused interview” will be used, even though information has been taken from Hirsjärvi and Hurme’s book where it was called “Teemahaastattelu”.

Focused Interview has also been known by the name of Semi-structured interview. Some writers find that focused interview is a middle version of structured and unstructured interview methods. The focused interview differs from the others even though initially it may feel the same. In order to understand the focused interview method, you have to understand the structured and the unstructured interview methods (Hirsjärvi & Hurme 2008, 47).

The Structured interview method is implemented with a questionnaire. The questionnaire is created with time and care. All the participants in this type of interview are given the same questions in the same order. This type of interview process does not give place for the interviewer to read the situation and act with it. Many times this kind of interview process is made by calling (Hirsjärvi & Hurme 2008, 44–45).

The Unstructured interview method has many different names, but is often a more open interview process and in turn the most informative. It is a method that many professionals use in a one on one arena, for example, priest's, doctors and psychologist. In this method the interviewer uses open questions and his/her task is to keep the interview continuing and flowing by asking new and appropriate questions. The interviewer has to read the situation and the body language, trying to get deeper and more informative answers (Hirsjärvi & Hurme 2008, 45–46)

The Focused interview method as previously advised is a central version of the structured and unstructured methods. Using the focused interview method, the interviewer should already know some facts and history about the person who is participating in the interview. An example of an interviewee has experience in researching a target market for example “how motherhood affect women entrepreneurs”, the interviewee is a woman, a mother and a entrepreneur. The researcher has to ensure that research has been made for the topics' main parts and theory. With this information the researcher creates the interview frame. In the interview moment, the researcher/interviewer focuses on finding subjective experiences from the interviewee (Hirsjärvi & Hurme 2008, 47).

4.2 Implementation

The author found 10 entrepreneurs who were willing to participate in the survey, five entrepreneurs from Australia and five from Finland. All entrepreneurs who participated in the survey are somehow related to the author's life, for example they are her family members, family friends, friends, employers or ex-employers. This means that the sample is not randomized. The Australian interviewees have been performed via the phone and for face to face for the Finns.

4.3 Quality, reliability and validity

When the research method of a survey is interview, quality should be monitored throughout the process. The quality of a survey can be influenced by preparing a good interview frame. Even if there is a good interview frame it is essential that the

interviewer has to be well prepared. A focused interview is not only about the planned questions; it is also about the questions which appear during the interview process. These questions many times give more information and insight than only following the planned interview frame. This is the reason why the interviewer has to be familiar with the proposed questions and be well prepared. The quality can also be affected if the interview is not transcribed straight away. Interview research material reliability depends on its quality. If only a portion of people who participated in the survey have been interviewed and not all, then it can be assumed that the survey data is unreliable (Hirsjärvi & Hurme 2008, 184–185).

Error of the validity and reliability can affect the many factors: The researcher, the social context and situation, the used method of data collection and data's analysis, and also the subject and participation for the survey (Brink 1993, 35).

The quality of the thesis survey is dependent on a good interview frame, factual information and that the interviewer is the same person who created the interview. When the interview frame creator is the same as the interviewer, there is no place for misunderstanding of the purpose of the questions for the interviewer.

10 people participated in the interview, five entrepreneurs from Australia and five from Finland. The Australian entrepreneurs have been interviewed via phone and in Finland the entrepreneurs were met face to face. The reasons for the method changes were due to geographical distance. This factor cannot be counted for error of reliability, due to the fact that the entrepreneurs have been interviewed via the same method, just in another country. The interviewer transcribed the answers at the same time as she interviewed the persons. Therefore, later transcribing did not bring about any changes or differences.

All the quantitative answers were used when analysing the results. Qualitative answers were used when the entrepreneurs gave informative answers or if the answer was totally different from other answers. The survey results cannot be expected to be a representative of an Australia-wide or Finland-wide because the research participation size was low and the entrepreneurs who participated in the survey were related to the author somehow. These factors may have an impact on the survey's reliability and validity.

4.4 Questions

The interview questions as previously advised were based on theories and research which were relevant in obtaining the necessary information. The interview process has been divided into four different parts based on the information which the author wanted to research. The different parts were not intended for the interviewee to distinguish between.

- Background information
- Reason to become an entrepreneur
- Support
- Process

Background information, questions 1 to 8 has been created to obtain basic information and create a profile of the entrepreneurs. This part of the survey's questions consists of quantitative questions.

Reason to become an entrepreneur, question 9 is a qualitative question and questions 9.1 are quantitative. This part is based on the pull and push factor theory. The purpose of this part was to research reasons why the sampled interviewees started a career as an entrepreneur.

Support, questions 10 and 10.1 are qualitative questions. This based slightly on Hofstede's theory's part of individualism versus collectivism. Both target countries are highly individual and the purpose was to collect information if the entrepreneurs received support from family to run the business. The question is open for all kind of support including government incentives and so on.

Process, this last part of the questions deals with the opinions of the entrepreneur on what they think of the process to become an entrepreneur. These questions are qualitative and there are six questions of this field (11–16).

4.5 The outcome and analysis

This part will analyse the outcome of the interviews.

4.5.1 Background information

Table 5: Survey questions 1–8.

1. Age
2. Gender
3. What type of business do you own?
4. What is your business entity?
5. How many businesses do you own?
6. How long have you been an entrepreneur?
7. How many employees do you have?
8. Do you run the business alone or with someone?

Australia

From Australia five entrepreneurs have participated in the interview, all of them were male. Their age is distributed from 26 to 48 and they have been entrepreneurs for one to over twenty years. The structure of the company changed from sole trader to a company. One of the interviewed entrepreneurs owned three companies, and one of them structures is a trust company. Three interviewees owned one company, one owned two and one owned three. All of the entrepreneurs employ from 5 to 25 employees. They own the business alone and one entrepreneur told he has help for running the business. He described well his position as “I’m the sole director with a team of staff”.

Finland

From Finland five entrepreneurs participated in the interview. Four of them were female and one is male. The age distribution of the entrepreneurs was 28–54. The years of operation as an entrepreneur were also distributed largely; one interviewee had been an entrepreneur for one month and the most experienced ones for 32 years, respectively. The female interviewees only employed themselves, while the male entrepreneur had 2–4 employees depending on the year and the work load at the time. In relation to the company structure one can say, Finnish

females prefer the “private entrepreneur” structure that is suitable for small companies. On the other hand, the male interviewee chose “limited company” structure as it gave him more flexibility to grow his business and expand it. All the entrepreneurs have been running their business alone, but at the moment the male entrepreneur’s son is working for the company and will take over its ownership in the near future.

4.5.2 Reasons to become an entrepreneur

Table 6: Survey questions 9 and 9.1.

9. You can describe in your own words the main reason(s) for starting a career as entrepreneur.

9.1. Continuing question, did you have any following reasons to start your own business?

Australia

All the interviewees described their reasons of becoming an entrepreneur for different reasons, but they all share the same goal and that is to be independent. One entrepreneur advised he wanted to have more ability to control the outcome of his personal progression; another advised that he saw a career as an entrepreneur a better option than working for someone else. The third said that he saw a market opportunity that his former employer did not want to bring to the customers.

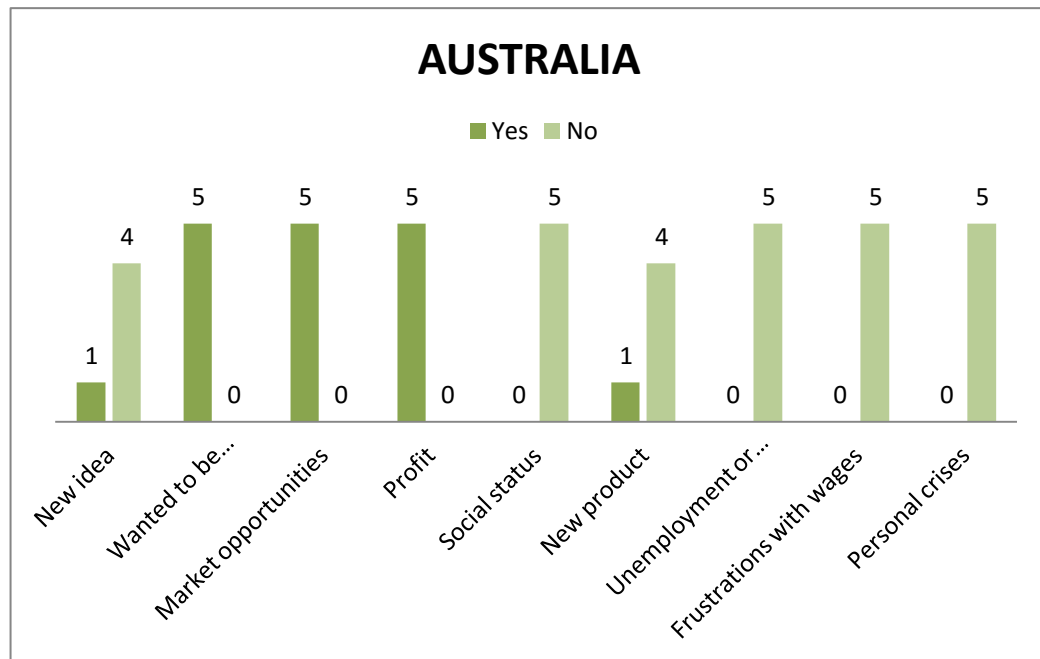


Figure 4: Reasons for becoming an entrepreneur. Australia, Question 9.1.

Finland

During the interview process the entrepreneurs spoke of how change was a reason of becoming an entrepreneur. One entrepreneur advised that after having her first child she could not find work in her field so she went back to school and studied for a new career. In Finland, those who study health and services, especially massaging like this particular candidate, can become an entrepreneur. Other reasons of change were mainly that the entrepreneur's wanted to be independent.

As the following figure (5) shows, the Finnish interviewees have more pull factor towards entrepreneurship, only one entrepreneur has push factor, which was due to unemployment.

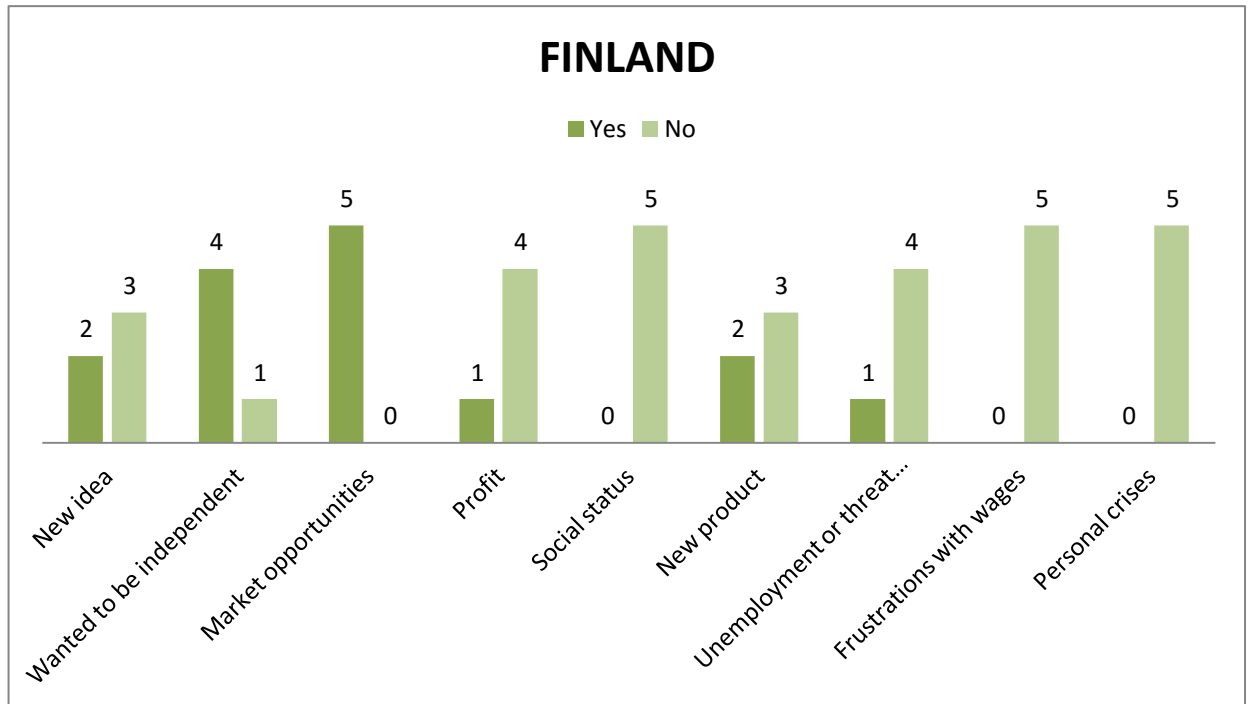


Figure 5: Reasons for becoming an entrepreneur. Finland, Question 9.1.

4.5.3 Support

Table 7: Survey questions 10 and 10.1.

10. What kind of support have you received for the business establishment and operations? For example family support, financial support, tax relief, easier loans etc.

10.1. Do you think that support was/is relevant for you to start a business and continue it?

Australia

Only one of the entrepreneur received support from family for becoming an entrepreneur and operating his business. One of the entrepreneur advised he could not obtain any assistance from his family because they did not live in Australia. Bank loans for commencing business were relevant for two of the entrepreneurs.

Finland

2 of 5 advised they received support from family for the process to become an entrepreneur and operating their businesses. Those who received family support ad-

vised it was relevant; for example, a grandparent's help with kids or partner's helping fixing the office place.

3 of the 5 interviewees received "start-up money" in the beginning and they advised it was relevant and assisted greatly with getting the company up and running. Also one of the entrepreneurs advised she was released from compulsory entrepreneur pension insurance for the first year.

4.5.4 Process

Table 8: Survey questions 11–16

11. What is your opinion about the process to become an entrepreneur? Easy, difficult etc.
12. Do you think that process formalities were expensive?
13. Do you think it took long to finalise the process?
14. Do you think you had enough information about how to start a company before you started the process?
15. Do you think government and government-funded agencies that specialise in entrepreneurship should give more information and help during the process?
16. Any other comments about the process

Australia

The entrepreneur's opinion about the process was mainly difficult. One described the process "difficult and at first overwhelming". Another advised that at his time (twenty years ago) of setting up his business, some points were easy and other points far more challenging. He also advised that he believes that if he were to commence his business today, it would be far more difficult. His explanation for this comment was that nowadays there is far more competition and more statutory expenses, for example, payroll tax, company tax, super and Business Activity Statements (BAS). When he commenced his business these statutory requirements were not in place and as his time in business passed he was forced to implement these changes.

None of the entrepreneurs had any complainants towards the formalities process cost and the timing of company registration can have been done within 30 days, so not a long process. 1 of the 5 entrepreneurs advised he receive good informa-

tion about the process on how to become an entrepreneur, his information came from university studies where he graduated a couple year before he started a career as an entrepreneur. Others advised they did not have enough information and they learnt through the process.

Answers for the question “should government and government-funded agencies give more information and help during the process” were spread between yes and no. Most interviewees said yes and one said “yes and no”, he explained his answer that “when a person has to do something by himself it is the best way to learn”. No one gave any free comments about the process.

Finland

All the Finnish interviewees advised that the process to becoming an entrepreneur was easy. One advised that the accounting firm which she uses completed all the paper work for her to start a company. The only part of the process for her was to write a business plan. This service was free for her on the condition that she wrote the plan.

No one felt that the processing of formalities was expensive and everyone said finalising the process was quick.

3 interviewees advised they did have previous information about the process on how to become an entrepreneur. They had been taught at college during their studies and the other two did not have any information. All of them said support during the process was brilliant and information was everywhere and it was easy to understand. Everyone hoped that the process support will stay as good as it has been so far.

Only one entrepreneur gave a free comment about the process and said she had only hoped for more information about what are tax deductible allowances.

5 CONCLUSIONS

The author has conducted a wide research to clarify the topic “How to become an entrepreneur in Australia and Finland”. She has reviewed related literature and earlier researches as the theoretical base for the latter parts. The author wanted to create an understandable package for those who are interested to know the differences in entrepreneurship in researched countries. Earlier in the thesis it was mentioned that in Australia there are near 30000 people of Finnish heritages. This thesis thus is a good example and a good source of information for them.

In the theoretical part, the author reviewed main theories and studies about the topic. Hofstede's, pull and push factors and GEM research have been described carefully as they are the main tools throughout the thesis. Using these theories and researches, the author has pointed out cultural problems and characteristics of entrepreneurship activity in the target countries.

In the empirical part, the author has created a survey for the entrepreneurs who operate in the two countries. By doing this, she could get more information about the topic as well as reasons and opinions she couldn't find from any book or on the internet. Based on the results of the interviews and comments that the entrepreneurs brought up, the author has thoroughly analysed the topic. As mentioned before, all the entrepreneurs who participated in the survey were somehow related to the author's life, for example they were her family members, employers or ex-employers. This means that the sample wasn't randomized but can affect the research's reliability.

6 out of the 10 interviewees were male. It is worth noting here that these 6 males all employ people while the females were self-employed. All of the interviewees from Australia employed people and it could be explained by the country's high masculinity. They live in order to work, want to be successful, are ego-orientated and money is important for them. For the Finnish entrepreneurs, work is more in order to live. 4 out of 5 just employed themselves and money wasn't their main goal, as usual in feminine cultures.

Talking of pull and push factors, only one out of the 10 interviewees have push factor to become an entrepreneur. Including that one who had the push factor, all saw the market opportunity when established their business. Pull factors for all Australians were profit and that they wanted to be independent. For the Finns only one admits that profit was one of the reasons to establish the company and 4 out of 5 said they wanted to be independent.

One part of the interview asked about received support. Most of the comments were that entrepreneurs have established and run their business without support. Couple of them got some help in kind from family, for example, grandparents take care of the kids during the work days. Some got a bank loan and 3 of the 5 Finns got government founded "start-up money". All of them who received loan or start-up money said that have been relevant to get their business running. One of the reason for this question was to learn if the countries really are as individual as Hofstede described. When think about whether they need family support to start the business, mainly everyone prefers to take care of it on their own.

Questions about the process to become an entrepreneur gave totally different answers when comparing between Australia and Finland. Australian entrepreneurs think that the process to start a business is difficult while Finns describe it to be very easy. An essential thing to consider is that, even though the Australians interviewee found the process difficult, Australia still has a higher degree of entrepreneurial activity than Finland.

The subject of the thesis eventually proved to be quite challenging because the topic is very wide. Sharing the thesis to the different parts (theory and research case) made it bit easier to demarcation and clarified the work. Work scheduling with the final stages was a bit rushed, because the found material was very broad, the work seemed to expand and expand. Even though it was hard to leave anything out, in the end the author found a smooth way to fit the information in and leave the irrelevant information out.

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APPENDICES

APPENDIX 1: Cover letter

Survey of how to become an entrepreneur in Australia and Finland

This survey is part of the Thesis "A cross cultural study on how to become an entrepreneur in Australia and Finland." This is also last part of my double degree studies in small and medium size entrepreneurship at university of SeAMK Seinäjoki, Finland and HS Hannover, Germany.

This surveys goal is to compare Australian's and Finnish entrepreneur's reasons to start a career as an entrepreneur and their opinion about the process. Your participation will be anonymous. Thank you for completing this survey.

Janette Arpala

APPENDIX 2: The survey questionnaire

1. Age
2. Gender
3. What type of business do you own?
4. What is your business entity?
5. How many businesses do you own?
6. How long have you been an entrepreneur?
7. How many employees do you have?
8. Do you run the business alone or with someone?

9. You can describe in your own words the main reason(s) for starting a career as entrepreneur.

9.1. Continuing question, did you have any following reasons to start your own business?

	Yes	No
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New idea		
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Wanted to be independent		
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Market opportunities		
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Profit		
--------	--	--

Social status		
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New product		
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Unemployment or threat of it		
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Frustrations with wages		
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Personal crises		
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10. What kind of support have you received for the business establishment and operations? For example family support, financial support, tax relief, easier loans etc.

10.1. Do you think that support was/is relevant for you to start a business and continue it?

11. What is your opinion about the process to become an entrepreneur? Easy, difficult etc.

12. Do you think that process formalities were expensive?

13. Do you think it took long to finalise the process?

14. Do you think you had enough information about how to start a company before you started the process?

15. Do you think government and government-funded agencies that specialise in entrepreneurship should give more information and help during the process?

16. Any other comments about the process