

Research



Tia Valocikova |

Understanding SME's Failure – Focus On Success Factors And Gender Differences: Comparative Analysis Of Sme's In Czech Republic, Hungary And Serbia

- Absztrakt (EN):
In the last three decades women has started to conquer the business world – there are more and more women entrepreneurs all over the world. However, their proportion among business leaders is still much lower than their proportion in the society. In the EU, policy-makers pay special attention to women's businesses – especially in the SME sector. Doing business is by default a risky activity and failure or financial difficulty is almost a natural part of it. Learning from hard times and from the experiences of others may help entrepreneurs to create better strategies to survive. The aim of this paper is to highlight factors and reasons for financial distress, in order to provide ideas how to prevent these difficulties. The research conducts 329 entrepreneurs who suffered from financial distress previously in the Czech Republic, Hungary and Serbia via online survey. There are not any significant differences in perceiving financial difficulties regarding gender. However, there are slight differences among countries, mainly in entrepreneurial factors.
- Absztrakt (-):
- Nyelv: angol
- Link: <https://scindeks-clanci.ceon.rs/data/pdf/1452-4864/2019/1452-48641902327M.pdf>
- Kiadó/kiadás: Serbian Journal of Management 14 (2) (2019) 327 – 344

SCAM ALERT - Internet Fraud and Cyber Attacks on International Level

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- Kiadó/kiadás: Keleti Károly Faculty of Business and Management, Óbuda University (2019) 69 p. pp. 40-40. , 1 p.

Breach Alarm! - Data Breaches And Cyber Attacks In Information Society

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How Did Reciprocity Evolve in Online Communication? Turnout of Reciprocal Altruism

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The Duality Of Risk And Trust At Usage Of Online Donations

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How Did Reciprocity Evolve in Online Communication? Turnout of Reciprocal Altruism

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SUMMARY

Why do we help strangers on the Internet? Sharing our experience, knowledge, or information does not involve a large investment of energy, yet users often expect to be rewarded for sharing their personal resources. Economics and other disciplines call this type of exchange reciprocal altruism. The present research introduces different types of altruism and then deals with reciprocal altruism. It describes how this form of selflessness can appear in social media. The aim of the research is to create an overview of Hungarian and international research, which is the first step of a long-term, comprehensive research project.

Keywords: Altruism; Reciprocity; Knowledge Sharing; Social Community

Journal of Economic Literature (JEL) codes: D64, O35

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INTRODUCTION

Online social networks are communication channels that allow information and knowledge to be shared and exchanged between people around the world. They have remodelled the traditional “face-to-face” form of social contact and contributed to cross-border networking. Although users have access to vast amounts of information and knowledge with the spread of online social networks, it is doubtful that they will expect reciprocity for sharing their own knowledge (Chang & Chuang 2011). This form of mutuality is the so-called reciprocal altruism, which is not a familiar concept in various disciplines. Most people have limited time, energy, or other resources, so they often expect a reward in return. Reciprocity is a very effective incentive for knowledge sharing and self-image building, especially in online communities (Davenport & Prusak 1998).

In our study, we use the academic literature to explore the concept of reciprocal altruism and illustrate its presence on online social media through various cases. We are examining, how reciprocity, as a type of altruistic behaviour can affect online knowledge and resource sharing, and how altruism can evolve on online social media sites.

THE CONCEPT OF RECIPROCAL ALTRUISM

Altruism is a dominant form of behaviour. Many researchers, sociologists and economists – (Piliavin & Charng 1990; Samuelson, 1993, Michalski 2003), etc. – have studied altruism; however there is no unified definition on it. The creation of the concept is attributed to the 19th century French philosopher Auguste Comte. In his view, altruism is an instinct that is the opposite of egoism and is related to selflessness. From time to time, researchers have raised several questions. Does any pure, selfless help actually exist? Are there different types of altruism? Sociologists seek social behaviour, so they base their thoughts on Comte’s conception. Psychologists, however, regard altruism as a hidden egoism, because according to their view selfless behaviour is connected with additional reward. Proponents of the theory of evolution link altruism to behavioural genetics. According to Richard Dawkins: “An apparently altruistic act is one that looks, superficially, as if it must tend to make the altruist more likely (however slightly) to die and the recipient more likely to survive. It often turns out on closer inspection that acts of apparent altruism are really selfishness in

disguise” (Dawkins 1989, pp. 80-81). In his work *The Selfish Gene* (1989) Dawkins submitted many ideas and cases of a gene-centred view of evolution. To explain altruism, he also presents some cases from the world of animals. ‘An entity, such as a baboon, is said to be altruistic if it behaves in such a way as to increase another such entity's welfare at the expense of its own. Selfish behaviour has exactly the opposite effect. ‘Welfare’ defined as ‘chances of survival’, even if the effect on actual life and death prospects is so small as to seem negligible. One of the surprising consequences of the modern version of the Darwinian Theory is that apparently trivial tiny influences on survival probability can have a major impact on evolution. This is because of the enormous time available for such influences to make themselves felt” (Dawkins 1989, p. 13). In the economic approach, according to Hámori, altruism can be defined as the application of others' prosperity into the individual's welfare function (Hámori 2003, p. 59).

In another study, Hámori points out that

“[...] according to the development of economics over the last two to three decades, it examines the motivations of beyond self-interest and cases of propitiousness and viciousness. Onto the characters of the economy particularly the underdeveloped one, the envy and wicked joy changes individual utility functions and creates a connection between individual utilities. In the same way, altruistic and compassionate economic actors, whose survival has been questioned for a long time, not only exist, but with their manner »magnetize« the behaviour of selfish actors who contact them. As a result of this cooperation, they act »as if« they are selfless.” (Hámori 1994, p. 510)

These concepts do not fully cover altruism, as definitions may differ even within disciplines, depending on which type of altruism is appearing. Here and now, we assume that in pure altruism the individual does not expect any reward in return for his selfless act. In selfish altruism, the individual is driven by his or her own interests and is only seemingly selfless.

In kin altruism, the closer is kinship; the more common is altruistic behaviour (Karajz 2018). In 1964, the American evolutionary biologist William D. Hamilton found a connection between altruistic behaviour and evolutionary selection, also referred to as Hamilton's rule. Hamilton relied on relative selection, according to which a person's genes are present not only in direct posterity but also in relatives. If altruists help their relatives to survive or reproduce, these relatives also develop a gene which is disposed to selflessness, that they can pass on to descendants. The more common genes are shared by relatives, the more certain they are to pass altruistic genes on (Hamilton 1963). In his work

The Evolution of Altruistic Behavior (1963), Hamilton revealed the terms of theory: “It follows that altruistic behaviour which benefits neighbours irrespective of relationship (such as the warning cries of birds) will only arise when (a) the risk or disadvantage involved is very slight, and (b) the average neighbour is not too distantly related” (Hamilton 1963, p. 355).

According to Hamilton, the reason for the evolutionary spread of altruistic behaviour is the mechanism of kin selection. According to one of the basic tenets of the theory, the evolutionary suitability of an individual depends on the extent of genes that the individual is able to pass on to the next generation. Each descendant inherits 50% of each parent's genes, which means that half of both paternal and maternal genes passed on to the next generation. Thus, in the case of four descendants, both parents double their genetic representation. However, copies of an individual's genes are not only carried by descendants, but also by other relatives, depending on the extent of kinship. The measure of common genes between relatives is shown by the so-called Coefficient of Relationship (r), first defined by American geneticist Sewall Wright in 1922. According to this coefficient, siblings share 50% of their common genes ($r = 0.5$), while first cousins share 25% ($r = 0.25$) (Hamilton 1964).

There are examples of Hamilton's rule seen not only among humans but also among animals. One of the most frequently mentioned examples is observed for squirrels. In case of danger, ground squirrels signal each other with whistles, but in same time, they also draw the attention of the predators. However, the study showed that the purpose of the signalling is to warn those living in nearby hollows, although endangering their own safety. The study also showed that females in the nearby hollows usually mate with related individuals. Males wander at a young age, while females settle in a nearby hollow (Berezkei 2009). Hamilton provided a scheme of four social behaviours with their effect on actor and recipient (Table 1). If a behaviour is beneficial for both actor and recipient it is a mutual benefit, if a behaviour is beneficial for only one party is selfishness or altruism, if a behaviour is disadvantageous for both it is labelled spite (West et al. 2006).

Table 1.
A Hamiltonian classification scheme for social behaviours

		Effect on recipient	
		+	-
Effect on actor	+	Mutual Benefit	Selfishness
	-	Altruism	Spite

Source: (West et al. 2006)

A non-related type of altruism is reciprocal altruism, a type of “exchange of gifts” where the individual expects a return in exchange for selflessness in the future. This differs from selfish altruism in that the altruist does not expect reciprocity from the recipient and in a specific situation, but trusts that another individual will later act in an altruistic manner. Henceforth, reciprocal altruism will be the focus of the study.

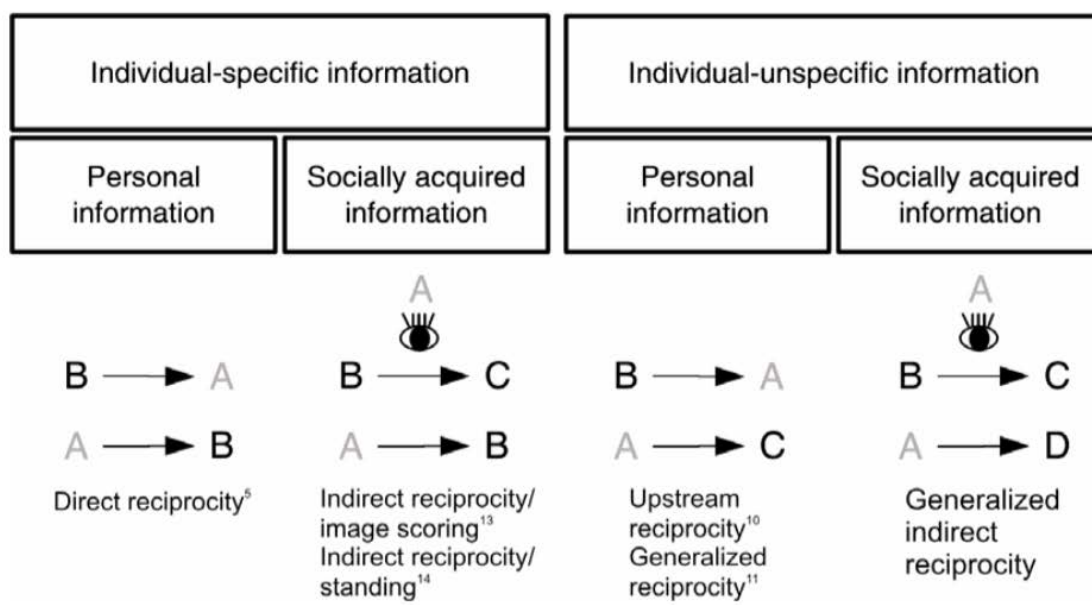
Reciprocal altruism is one of the most common turnout of altruism. Robert Trivers (1971) was the first to deal with this topic in detail, arguing that it is worthwhile to behave altruistically in long run, since selfless acts pay off later, and if the favour is reciprocated, kinship is not a premise. Imagine that two participants, strangers to each other, get into a distressed situation. Selfless action from one of them can be an advantage for the other, who can repay this act later to help us solve a serious problem. There are four conditions for reciprocity. One is the positive profit-loss balance, i.e., the amount of benefit caused by selflessness is greater than the cost to the assisting party. The second condition is the return of selflessness, that is, the existence of a circumstance which may justify cooperation. The third condition is to maintain a constant relationship, while the fourth is the existence of social intelligence by which fraudsters can be filtered out. In certain social situations, altruistic behaviour is explained by various emotional influences such as gratitude, guilt, anger or joy. Different emotions develop during the practice of reciprocal altruism in order to meet the above conditions. Trust, sympathy, and friendship are qualities that strengthen relationships with individuals who have reciprocated selflessness. Aggression, egoism and greed appear in individuals who have not reciprocated altruistic behaviour, thus cooperation is not worth maintaining (Trivers 1971; Bereczkei 2003).

According to the economic view, reciprocal altruism connects two actors: the victim and the beneficent. In this view, Christopher Stephens (1996) argues that further conditions can also be met with reciprocal altruism. In addition to the four conditions listed by Robert Trivers (1971), Stephens points out that the number of mutual assistance situations does not need to be known. If the participants know in advance the number of collaborations, the last cooperation would no longer make sense, as it will no longer be reciprocated (Stephens 1996). In the case of altruism, however, there is always uncertainty. If someone does a favour to a certain person, that person – even if through no fault of his or her own – may not be able to return the favour later. Therefore, one of the most important components of reciprocal altruism is trust. Reciprocal altruism can be described as a kind of exchange relationship, more precisely as a clearing system for charities, but it is also a community of risk. Reciprocal altruism can also be interpreted as risk sharing.

In order to guarantee the benefits of mutual favours, in most cases we need to belong to a well-defined network. The bigger and tighter the net, the safer it is (Hámori 2003). Such networks can be formed not only among the players presented in the market, but can also be a circle of friends or a university group. Trust can also reduce the costs for actors, as cooperation in the other party awakens respect and propitiousness, and those who are respected can acquire financial benefits (Pinker 2009; Golovics 2015). Trust also leads to opportunistic behaviour. Advance of trust results in a long-lasting relationship, and the parties do not assume that either of them could abuse the situation. Breaking up a long-term relationship of trust is far more unfavourable than fraud for instantaneous gain, because if either party notices the fraud, trust-based cooperation leads to failure. It is beneficial for both participants to ignore situations that bring momentary benefits but undermine cooperation in the long run.

Researchers Rutte & Pfeiffer (2009) demonstrated a model (Figure 1) of the mechanism of reciprocal altruism with help of computer simulation. The authors found that “mechanisms for the evolution of reciprocal altruism may rely on personal or socially acquired information about the behaviour of other individuals. This information may be individual-specific or unspecific” (Rutte & Pfeiffer 2009, p. 1573). Figure 1 shows that individual-specific information can be gained through both personal information (by direct action with the environment) and socially acquired information (by observing the behaviour of others). Socially acquired information is used when personal information is not available or is costly. In these cases, direct reciprocity happens when individual A helps individual B, because they helped each other before. In indirect reciprocity, measures of reputation (image scoring and standing) apply. Individual A took notice that B helps C. Because of B’s reputation (either it is image scoring or standing), A helps B. Individual-unspecific information is not ascribed to a specific individual, it can be anonymous. In generalized reciprocity, A receives help from B and then B helps C. In generalized indirect reciprocity, A took notice that B and C had been cooperating; therefore, A helps D. Generalized indirect reciprocity is

[...]a mechanism for the evolution of cooperation based on marks that are (inadvertently) left in the environments from cooperative or non-cooperative actions. In an untidy place, for example, people may tend to care less to deposit waste in the waste bin than they do in a clean place. Such behaviour might be adaptive because it is not advantageous to invest in cooperative actions where it is unlikely that the investment will be reciprocated. Marks are pieces of socially acquired information that cannot be associated with a specific individual. (Rutte & Pfeiffer 2009, p. 1577).



Source: (Rutte & Pfeiffer 2009, p. 1574)

Figure 1. Mechanism of reciprocal altruism relied on individual-specific and individual-unspecific information.

Rutte and Pfeiffer showed that various strategies expand based on behaviour and interaction in the evolution of reciprocal altruism. In reciprocal altruism, many other aspects can appear, like the so-called “goods of trust”, such as knowledge. One of the greatest values of the information society is knowledge and the capability of sharing. Through Internet connections and on social media, it is even truer that the sharing of trust and knowledge increasingly contributes to the building of lasting cooperation (Hámori 2003).

RECIPROCITY IN SOCIAL MEDIA

The community of Internet users is constantly growing: the share of households with Internet in Hungary in 2018 was 83%. This proportion increased by an average of 4.5% per year since 2010, and the proportion of frequent Internet users is 76%. The Hungarian population is also active in the use of social media, as 86% of them participated in some kind of social network in 2018. This figure is even higher than the EU average (65%) and The Visegrad Group (cooperation between the Czech Republic, Hungary, Poland and Slovakia, what focus on the construction of democratic systems) average (66%) (KSH 2018). The National Media and Infocommunications Authority in their latest report discriminated six different type of Internet users in Hungary (N=4000): net-aholic youth (5%), multi-communicatives (10%), versatile and skilled (17%), social media avoiders (16%), almost average (28%) and basic level browsers (23%). Among *net-aholic youth*, the time spent actively using the

Internet is far above average (11,6 hours/day), they are typically young people (43% under 30). *Multi-communicatives* are the “champions” of online communication and social life. They have the widest range of used browsers to surf the Internet, also this group representing the highest proportion of graduated members (37%). The usage of social media sites is significant among *versatile and skilled*, who represent the second lowest average age group (age 37.4), and this group has the highest proportion of active workers (79%). This group have high rates of Internet use, visiting social networking and online entertainment sites are also great above average, however average activity in terms of online communication. The main feature of the group of *social media avoiders* – as can be judged by their title – is the conscious avoidance of social media, and this group has the highest proportion of men (60%). The most populous group is represented by the *almost average*. They slightly have outstandingly strong or weak characteristics; however, in the use of social media, especially the use of, they are significantly above average (100%). It is also worth to mention that this group contains the highest proportion of women (62%). *Basic level browsers*’ Internet usage skills are lag behind other groups. They use the Internet mostly on one device (laptop or phone) usually at home exclusively for browsing and e-mailing. Taking the whole sample as a basis, the most frequently used social media site is still Facebook, which is followed by YouTube. The most common activity for social media users is “liking”. In addition, women are more active then men in liking, posting or sharing (NMHH 2020).

The use of social media is significant, not only in Hungary, but in most parts of the world. Social media is

a tool that creates connection easily with different communities. Social networks are forums of a personal nature where users often reveal information about themselves that is often sensitive or intimate. Shared content can be seen as self-unfolding and self-presentation by users (Hubert 2016). Before we dive into a deeper overview of social media, it is important to mention Web 2.0., a platform built on community, whose contents are no longer created by service providers, but instead by users. According to Kaplan & Haenlein (2010) Web 2.0 is a platform for the ideological and technological evolution of social media. The authors mentioned that Web 2.0 has created a new cultural knowledge that requires only minimal competence and technical proficiency from the user, and a mass of people participate in the production of media content. O'Reilly links the success of blogs, wikis, tagging, and ultimately Web 2.0 to new representations of the wisdom of crowds. For example, by liking, the user connects new information to a specific text, image, or video, creating new content. By clicking on the link, other users confirm their opinion, creating a route that search engines, such as Google itself, register and take into account when ranking results. In this way, the wisdom of crowds creates a new kind of knowledge (O'Reilly 2007). Social media are Internet-based applications that are based on Web 2.0 and allow online interaction in order to obtain content or opinions and to create and share attitudes, insights, media and relationships with each other.

By strategic aspects, there are many categories of online social media, like blogs (both personal and corporate), micro-blogs (Twitter), collaborative projects (Wikipedia), content-sharing pages (Flickr, YouTube etc.), virtual worlds (Second Life), social news sites (Reddit), social media sites (Facebook, LinkedIn), or trading community (eBay) (Markos-Kujbus & Gáti 2012). According to Kietzmann et al. (2011) there are seven functional building blocks of social media, which can provide an instrument for understanding their mechanism for operation. The first one is *presence*, which characterizes the availability of users on each social media platforms. Then *identity*, which represents the extent of users revealing themselves. *Dialogues* represent the path of communication of users, where motivation, content and frequency are also key factors. *Sharing* is the exchange of several exchange of contents between users. *Relation* describes the affection and love for somebody. There is a strong connection between relation and identity: the higher the identity within social media, the higher the relationship is rated. *Reputation* describes how users esteem themselves. The main indicators are strength, availability, emotion and passion. Last, *groups* refer to communities or sub-communities, which are the basis of social media. There are two main types of groups: one is the type that is open for everyone, the second the type that is clarifying their connections and organizing them in different groups. Qi et al. (2018) compared four theoretical perspectives – Goffman's self-presentation, Bourdieu's social capital,

Sartre's existential project, and Heidegger's shared-world – in relation to social media to get better understanding of human's social media usage behaviour. Erving Goffman's theory of self-presentation (Goffman 1959) provides a comprehensive picture of the strategies we use when we want to be recognized or liked. When we enter a social situation, we show a "facade" of ourselves. It is a constant set of traits, "an impression to others that lies in accordance with one's own interest" (Qi et al. 2018, p. 96). In the life of social media, people use this platform to present themselves as better than they actually are. For example micro-blogging sites like Twitter provide short messages that can be viewed publically and spread through shares and likes. Users can use this platform as a theatre, where they can play a role, showing only the "front stage" of themselves to others and controlling their impressions. Pierre Bourdieu's theory of social capital (Bourdieu 1986) is a complex set of resources that are based on belonging to a group. This social capital held by a group member serves as warrant and strengthen credibility in front of other members of the group. This social network is a product of investment strategies that are consciously or unconsciously aimed at establishing and maintaining social relations, which eventually promise direct benefits. For producing social capital, regular contact is essential. In the case of social media, the importance of strategy decisions in posting or sharing is crucial. The wide range of people that can be reached on social media can spread online social capital, and build an image of oneself. Jean-Paul Sartre's existential project (Sartre 2007) – in short form – states that existentialism is an endeavour that proclaims the primacy of existence over essence. "According to Sartre, behind each human, we need to discover a unity of his or her life. This unity is related to responsibility, and this responsibility should be personal. This unity is also the unity of the person, and the person should be free to perform this unity" (Qi et al. 2018, p. 98). Users can use online social media for "experimenting or finding justifications related to diverse aspects of their identity, including sexual, cultural, or ethnic characteristics" (Qi et al. 2018, p. 99). In the last theory, Martin Heidegger's shared-world (Heidegger 2010) is about a connection of our act in the past, present and future, which is characterized by concern and taking care for others. An individual's acts or thoughts are a reference to their loved ones. This mutual care is also expressed in the future by the way the individual will care about someone, whom they does not know yet. Social media sites allow people to consolidate identities: "when using Facebook, the behavior of users can be related to both their past and their future projects. The past appears in Facebook status updates; the present is seen in terms of what is going on; and the future appears through the intentions of the user or through a user's continuous use of Facebook" (Qi et al. 2018, p. 99). A relation between some typical characteristics of social media use and each theoretical finding is suggested in Table 2.

Table 2.
Theories appearing in social media

	SOCIAL MEDIA
<i>Goffman's self-presentation</i>	<ul style="list-style-type: none"> • Social media is like a theatre play, where I conduct a performance; I play a role • On social media, I present myself in order to influence my audience • On social media, I want to control the impressions that others form of me
<i>Bourdieu's social capital</i>	<ul style="list-style-type: none"> • The main purpose of social media is to build social capital, which may lead to economic capital in the long run • For each possible post, I should evaluate my hopes and the objective chances of success • My strategies on social media come partially from dispositions and are influenced with external conditions
<i>Sartre's existential project</i>	<ul style="list-style-type: none"> • My contacts on my Facebook or WeChat hold a secret – the secret of who I am • On social network sites, I identify myself in the way my contacts look at me • The world should be revealed to my contacts through me
<i>Heidegger's shared-world</i>	<ul style="list-style-type: none"> • The meaning of my posts on social network sites to those who matter to me is that I care for them • I want to tell them on social network sites that my concern for them is constitutive of my identity • On social network sites, I want to tell those I care for that the existence of others defines me

Source: (Qi et al. 2018)

There are different influences for using social media, such as collective social consciousness, certain personality traits, specific social situations, but also altruism. Virginia Anne Killian (Killian 2013) examined the incentives of using social media and pointed to three needs: respect, security, and the need for recognition (so-called “ego maintenance”). In her descriptive model, she classified altruism in the category of self-promotion, including self-affirmation, as in all cases the idea of charity and selflessness increased the self-esteem and social capital of the participants. The literature has already dealt with the psychology of social media in studies – (Újhelyi 2014; Wilson et al. 2010; Evans et al. 2012) – as it also contributes greatly to the development of corporate social media sites.

Eddleston and Kellermanns (2007) examined the presence of altruism in family firms. According to their results, it can be said that altruism reduces the extent of conflicts and increases the willingness of cooperation. Smooth communication is essential for knowledge sharing. Altruism is conducive to this and creates a space for knowledge sharing (Eddleston & Kellermanns 2007; Chang & Chuang 2011). This is especially true for social media, as it allows unlimited communication. However, it is important to note that social networking sites allow users to be free and behave on their own schedules, which makes it harder to stay in touch. Knowledge sharing is more common among users that are more active. Frequent presence results in reciprocity,

as users are more likely to share information with those with whom they are in constant contact, as feedback is presumed.

Altruistic behaviour greatly increases user satisfaction and is related to building trust. Sharing information and experiences on social media increases user satisfaction as they take pleasure in helping others. This is especially true for groups with similar interests. Group members share information with each other to improve their self-image, and gain respect and recognition, thus increasing members' trust in each other. This is not only typical for relatives or groups of friends, but also on the social pages of online shops and businesses, where customers can provide feedback on the quality of products/services. Online marketers use the tools of psychology to monitor the impact of altruism on user behaviour. Reciprocity can also be observed in these cases, as users expect some reward (respect, recognition, reputation) in exchange for sharing the knowledge (Shiau & Chau 2015).

Ma & Chan (2014) discussed the motivation for online knowledge sharing using four measures: perceived online attachment motivation (POAM), perceived online relationship commitment (PORC), online knowledge sharing behaviour (OKSB) and altruism (ALT). Their key findings were that perceived online attachment motivation has both a significant and direct effect on perceived online relationship commitment and online knowledge sharing behaviour,

and altruism has a significant and strong effect on online knowledge sharing behaviour. According to their explanation: “Altruism is important to families, communities, and organizations as it promotes bonding by fostering loyalty, interdependence, and commitment to long term prosperity. We propose that altruism is especially important in social media environments in which communities are formed based on common interest” (Ma & Chan 2014, p. 56).

Other online platforms like blogs have become a significant way for knowledge and information distribution. A blog is also a form of social media community, as it gathers individuals with similar interests. Hsu & Lin submit, “In the past, knowledge sharing was viewed as a transaction process of knowledge markets, where the knowledge buyers and sellers needed to have reciprocal benefits from the exchange. Thus, expected reciprocal benefits, reputation, altruism and trust were considered as the incentives for knowledge sharing. Nevertheless, factors contributing to the sharing intention were likely to vary in the blog community due to its characteristics” (Hsu & Lin 2008, p. 66). Their results showed that individuals participating in blogs were motivated by the joy of helping each other with knowledge sharing. Enjoyment and easy utility were important factors, and “gain(ing) a sense of belonging” also motivated participants (Hsu & Lin 2008).

Another study found out further interesting results about online knowledge sharing. Pee (2017) examined whether the need for knowledge and knowledge sharing in Wikipedia was connected with altruistic behaviour. With a survey (N=323) he found that “[...] Wikipedia users who perceive a greater knowledge need in the community tend to perceive less forgone benefit of free riding and have a stronger knowledge sharing intention. In sum, others’ need influences one’s knowledge sharing due to utility interdependence. [...] A potential explanation for the insignificance of level of knowledge is that the objective indicator of education level does not fully reflect one’s level of knowledge and the capacity to provide knowledge in Wikipedia” (Pee 2017, p. 845).

New forms of expressing altruism are turning up in digital forms and forums. Cambridge professor and social psychologist Sander van der Linden (2017) identified a trend, so-called “viral altruism”, which he described as a situation when “the altruistic act of one individual directly inspires another, spreading rapidly like a contagion across a network of interconnected individuals” (van der Linden 2017, p. 1). Social cause

campaigns use viral altruism as a tool for raising donations. Linden labelled these campaigns as SMART acts, which is the acronym of social influence (S), moral imperative (M), affective reactions (AR), and translational impact (T). These kind of campaigns go viral very rapidly and influence the public to be a part of a social cause, triggering off a very strong emotional reaction. Although the course of viral altruism is fast, “viral social campaigns can effectively capture the attention and support of mass audiences, but in order to make viral altruism stick, more gradual and deeper engagement with a social cause is required over a sustained period of time” (van der Linden 2017, p. 3).

However, altruism does not only appear in thematic online community groups. Volunteerism is also related to altruism, as it defined as “a helping action of an individual that is valued by him or her, and yet is not aimed directly at material gain or mandated or coerced by others” (Til 1988, p. 6). The four main components of volunteerism are free will behaviour with no reward; aiming to help strangers on a long-term basis. Volunteerism is an organized and formal method of altruism (Haski-Leventhal 2009). Mejova et al. (2014) summarized with her co-authors (Mejova et al. 2014) summarized the factors that affect individuals in online volunteering in four points: individual capacities and willingness, the individual’s range of interest, social influences, and external influencing factors, such as non-profit advertising. Their results show that positive returns also influence volunteerism, like benefit to self (for instance non-profit foundations share their results with volunteers), and benefit to others (a non-profit organization does a major act such as buying vital medical equipment for a hospital).

Social networking sites like Facebook, Instagram or Twitter have a so-called “click-to-donate” interface where practicing altruism is just a click away. Non-profit businesses are increasingly taking advantage of the opportunities offered by social media. Altruism has a significant impact on the social environment. The simplicity of click-to-donate has allowed users to do good with one click, and this altruistic behaviour encourages corporate social responsibility (Klisanin 2011).

Social media sites, like Facebook provide several possibilities for click-to-donate activity (Figure 2). Not only non-profit organizations can use these tools but also personal fundraisers can collect donations for personal causes (small businesses, collecting money for friends, etc.).



Source: Cooney (2017)

Figure 2. Variations of click-to-donate and fundraising via Facebook.

Facebook started fundraising action in 2015, and according to its own statements, the donations for non-profits and personal causes were more than US\$2 billion over the world since then (Facebook 2020). Unfortunately, Facebook and other platforms do not provide available and detailed statistics about their fundraising activity; however, the most popular fundraisers are approachable. Since the breakout of COVID-19, the need for donations has become urgent; according to recent data (May of 2020) from the WHO, more than \$214 million has been raised since the epidemic outbreak (United Nations Foundation 2020). On Facebook, the top two most popular fundraisers are CDC Foundation, in the name of Combating the Coronavirus, and United Nations Foundations, in the name of COVID-19 Fundraiser for WHO. Both fundraisers had collected more than \$6 million from the end of March 2020 until May.

In the use of social media fundraising tools, Conolly (2012) found other interesting results. Her research has shown that altruistic behaviour and charity is related to the frequency of social media use. Users who visit social media sites more frequently are more willing to donate than less active users. Users' online social capital (number of acquaintances, amount of participation in groups, etc.) also influences the extent of charity. Connolly's research has also shown that commitment to a profession is related to altruistic behaviour. Careerists are more active in seeking new relationships and more committed to their own self-image, so they see charity as a means of building their careers. Social pressure also increases the prevalence of digital altruism. The active participation of a valued person in charity has an influence on the behaviour of acquaintances. Social

pressure also plays a role in self-image. The more charity you make, the more positive your charity's recognition will be, thus it is increasing your self-esteem. In this case, reciprocity is valid, following the principle of "expect good in place of good". Users expect a higher degree of recognition and self-esteem in return for their altruistic behaviour (Connolly 2012).

CONCLUSION

Altruism can be rather diverse in both physical and digital environments. Through many studies and cases, we provide an overview about the classic presence of altruism from different disciplinary perspectives. It is hard to choose only one aspect, or a single definition that can fully cover the essence of altruism. Altruism is a form of selfless act that depends on several aspects (cost of the act, size of the reward, stage of kinship etc.). Although reciprocal altruism does not depend on relation, it also has many forms (direct or indirect reciprocity, etc.). Studies about reciprocal altruism in online communities provided an outline of how digital altruism can influence knowledge sharing, promote self-esteem or boost donations.

As a summary, we created an overview about the main findings of altruism in social media (Table 3). With help of content analysis, we collected the main factors of altruism in general appearing in social media to get a better understanding of users' behaviour. We created two groups: one is the premises of altruism; other is the effects of altruism. These premises are the most common factors prompting altruistic acts, which lead to several effects. Reciprocity plays a leading role, as it is crucial toward a long-term altruistic act.

Table 3.
Factors of altruism that affect users' behaviour on social media

ALTRUISM IN SOCIAL MEDIA	
PREMISE	• frequent presence
	• possibility of feedback/reward
	• smooth communication
	• similar interests
	• enjoyment
	• utility interdependence
	• commitment
	• social influence
	• simplicity
	↳ RECIPROCITY
EFFECT	• reduces the extent of conflicts
	• increases the willingness of cooperation
	• increases user satisfaction
	• builds trust
	• improves self-image
	• fosters loyalty
	• creates positive recognition
	• influences others' altruistic behaviour
• increasing the number of acquaintances	

Source: own editing

The research that we presented in this study provide an insight into the emergence of online altruism, but mainly deals with international viewpoints. The Hungarian literature focuses more on the traditional appearance of altruism, so in our following studies we will focus on Hungarian cases as well. Henceforth, it is worth examining two topics; the relationship between

online knowledge sharing and reciprocal altruism, and between online volunteerism and reciprocal altruism.

The constant technological renewal of social media presents new opportunities for researchers. Users' online behaviour and attitudes are constantly changing, so their attitudes towards selflessness and altruistic behaviour are always evolving.

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UNDERSTANDING SME'S FAILURE – FOCUS ON SUCCESS FACTORS AND GENDER DIFFERENCES: COMPARATIVE ANALYSIS OF SME'S IN CZECH REPUBLIC, HUNGARY AND SERBIA

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Abstract

In the last three decades women has started to conquer the business world – there are more and more women entrepreneurs all over the world. However, their proportion among business leaders is still much lower than their proportion in the society. In the EU, policy-makers pay special attention to women's businesses – especially in the SME sector. Doing business is by default a risky activity and failure or financial difficulty is almost a natural part of it. Learning from hard times and from the experiences of others may help entrepreneurs to create better strategies to survive.

The aim of this paper is to highlight factors and reasons for financial distress, in order to provide ideas how to prevent these difficulties. The research conducts 329 entrepreneurs who suffered from financial distress previously in the Czech Republic, Hungary and Serbia via online survey.

There are not any significant differences in perceiving financial difficulties regarding gender. However, there are slight differences among countries, mainly in entrepreneurial factors.

Keywords: small- and medium enterprises (SMEs), competitiveness, critical success factors, women entrepreneurship

1. INTRODUCTION

Small- and medium sized enterprises are often vulnerable because of financial reasons. However, there may occur slightly differences in perception of failure among

them. That provides a basis for a country comparison, which highlights the similarities, and differences.

Recognizing diverse market framework can result in various conditions and opportunities, this research investigates

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countries with common historical past. Thus, three post-socialist countries: Hungary (1989), the Czech Republic (1990), and Serbia (1992) are examined. However, the regime change occurred in four years (shown in bracket), after the common past, these states have been developed differently, and the disparity prevails slightly. A comparison can contribute to get a more thorough and complex picture of financial problems. Although this approach is quite challenging, because success factors are morefold and often dependent on each other (Ng & Kee, 2012).

Many researchers throughout the years was dealing with the definition of “entrepreneur success”, such as Schenk (1998); Fried & Tauer (2009); Sofian (2019). However, there are still parallel explanations of how entrepreneurs define their overall business success (Lucky et al., 2012). There are economical (sales, profit, innovation, market share, investment, etc.) and also psychological (personal motive, work-enjoyment, autonomy, etc.) perspectives, which can depict the important aspects of business success (Dej, 2010). The success of a company can be also related with competitiveness. Many factors drive competitiveness, like macroeconomic environment, investments, social or political infrastructure, etc. (Ketels, 2016). A research by Kadocsa (2012) about competitiveness of small and medium sized enterprises revealed, that the main goals of studied Hungarian SMEs were the better serving of their consumers and to reach higher profit. Further, aspects that are mostly affecting their operation were the good relationship with consumers, and financial resources. In the annual report (2017/2018) on European SMEs by European Commission pointed out internationalisation is still an important

driver to grow a successful business. There is no standard framing how a successful business had to look like. Success can be reflected in many ways and forms, and every entrepreneur has different view on success (Dej, 2010).

The aim of this study to highlight failure perception of entrepreneurs to provide management suggestions for future success.

2. RESEARCH HYPOTHESES

2.1. Gender Differences in Entrepreneurship

Economically and culturally it is more typical that majority of business is established by men. They have higher education, more experiences as managers and have higher risk-taking personality. Therefore, it is more realistic to expect men to start their business than women (Langowitz & Minniti, 2007). However, society is changing and women’s role in the economy and within families has gone through a great transformation in the last decades. More career paths are open to women, and they definitely try to use their chances as their proportion in higher education has increased notably – which can be the first step to gain more knowledge to start their own business.

Blagojević (2006) approaches female entrepreneurship as a multidimensional phenomenon. It helps women to use their resources to improve their lives; it reduces unemployment and a gear of sustainable development as they try to harmonize social, ecological and economic goals at the same time.

Gender differences have some scheme and common features. While both gender-

group want to achieve independence with their own business, men want to create new things and open new opportunities and women focus more on accomplishing a special goal. In majority of the cases job dissatisfaction or layoff (for men) or job frustration and change in personal circumstances (for women) lead to entrepreneurial motivation. Men start business in their 20-30's while women initiating business in their 30-40's. There is also remarkable difference in the activity they choose: men start more productive and capital-intensive jobs, while women invest in labour-intensive jobs (Hisrich & Peters, 2002). Traditionally, men have much more experience when they start a business, they also more educated and in this men's world they can hold and strengthen their positions easier. However, women's role in the background or as a partner can significantly contribute to the success of a man. Financial background of the business shows also differences among the gender groups. Women suffer more difficulties in raising the initial capital for their businesses, and they have less personal assets to serve as a guarantee for getting credits. They also have less informal sources of providing the financial background of their business (Blagojević, 2006). According to experts, women entrepreneurs show higher level of empathy, they are family-focused and interested in their employees' wellbeing". Typically, female entrepreneurs begin their operations to sustain themselves or their families (Mong, 2016).

Judgement of success and failure may also shows difference for female entrepreneurs, who are more frequently involved in the continuity and stability of their business than its expansion and its internalization. Therefore, the following

hypotheses are going to be tested in this paper related to gender issues:

H1a: Female entrepreneurs are more reluctant to make drastic decisions (such as closing business or firing employees) in their business in case of a financial distress than their male counterparts are.

H1b: Female entrepreneurs suffers more from the negative personal effects of the financial distress of their business.

The research tries to find evidence to support or reject these hypotheses among the gender groups of the three countries: Hungary, Czech Republic and Serbia.

2.2. Critical Success Factors of Small- and Medium Enterprises

Companies, including small and medium sized enterprises (SMEs) pursue and strive for sustaining economic and financial efficiency and avoid failure. This topic employs entrepreneurs and researchers all around the world. The suggestions are quite similar, however, they can slightly defer from each other for economic, social, and cultural reasons among countries (e.g.: Attahir, 1995; Chittithaworn et al., 2011; Islam et al., 2011; Ramukumba, 2014; Nyoni & Bonga, 2018; Al-Tit et al., 2019). These country-based analyses emphasize the differences of the certain country from others. This literature review is novel, because it approaches the topic from specific countries point of view using these examples as case studies (Table 1.).

The fundamental attributes which determine the operation of a company can be defined as critical success factors (CSFs) (Velimirović et al., 2019). Martin and Palakshappa (2003) indicate that CSFs are company processes and other activities that support companies, but not necessarily the

Table 1. Critical success factors of SMEs in certain countries

Literature	Critical success factors					
	Enterprise factors	3E Environmental factors incl. customers	Entrepreneurial factors and management	Business support	Capital, resources, liquidity	Product and service quality
Attahir (1995)			+			
Martin & Palakshappa (2003)			+			
Philip (2010)		+	+			+
Islam et al. (2011)	+					
Chittithaworn et al. (2011)	+	+	+		+	
Ramukumba (2014)		+				+
Douglas et al. (2017)		+	+			+
Nyoni & Bonga (2018)	+	+	+			
Al-Tit et al. (2019)			+	+	+	

Source: Authors' compilation according to the above cited literature.

company itself. They and Attahir (1995) show that management skills as key to success, such as technical, human and conceptual skills. However, a lot depends on the engagement of the owner and employees to business, as they call it on “passion”, and on striving for development (Martin and Palakshappa 2003, p. 16.). Conducting enterprises in Zimbabwe, Nyoni and Bonga (2018) introduces a more extended view: the 3E model (enterprise factors, environmental factors and entrepreneurial factors) which refers to multiple customer relationship, thus to customers and partners. In the same time, 3E narrows down CSFs, as Nyoni and Bonga (2018) emphasize the critical characteristic of the attributes, thus these should be more focused. Owners and managers should be aware of the most decisive factors, in order to concentrate on them (Nyoni & Bonga, 2018). In Saudi Arabia, business support (financial, governmental and familial) seems to be crucial, although individual management, capital availability and management factors are also important (Al-Tit et al., 2019). Firm characteristics do not play a prominent role in success (Islam et al., 2011; Al-Tit et al., 2019), however, Chittithaworn and her co-authors (2011) investigating SMEs in Thailand found that above all SMEs characteristics are

determinative. Conducting SMEs in Bangladesh, market presence has a significant impact on success, thus companies, which have been launched into the market for a longer time, are more successful (Islam et al., 2011) that might be related to know-how (Philip, 2010) and reputation, and should be coupled with development strategy (Ng & Kee, 2012). Product quality, management methods and the environment have also a remarkable impact on SMEs success in Bangladesh (Philip, 2010). Product quality was also highlighted as critical success factor in Kenya and South Africa, as well as, customer loyalty and management skills (Ramukumba, 2014; Douglas et al. 2017).

Most of the conducted cases emphasized entrepreneurial and management skills, which are crucial to success, such as the ability to define aims and vision, create and develop know-how, motivate and empower staff (Attahir, 1995; Martin & Palakshappa, 2003; Philip, 2010; Chittithaworn et al., 2011; Douglas et al., 2017; Nyoni & Bonga, 2018; Al-Tit et al., 2019). The environmental factors, such as market framework, the relationship with partners, and loyal customers can also contribute to preferable performance of SMEs (Philip, 2010; Chittithaworn et al., 2011; Ramukumba,

2014; Douglas et al., 2017; Nyoni & Bonga, 2018). Other attributes like enterprise factors, economic and financial situation are divisive, and seem to be play a less decisive role.

Summarizing, according to the literature, H2, H3 and H4 hypotheses can be developed.

H2: Environmental factors can be critical success factors of SMEs.

H3: Entrepreneurial and management factors are the most crucial in avoiding financial distress of SMEs.

H4: Failure perception differences may occur among countries.

3. METHOD

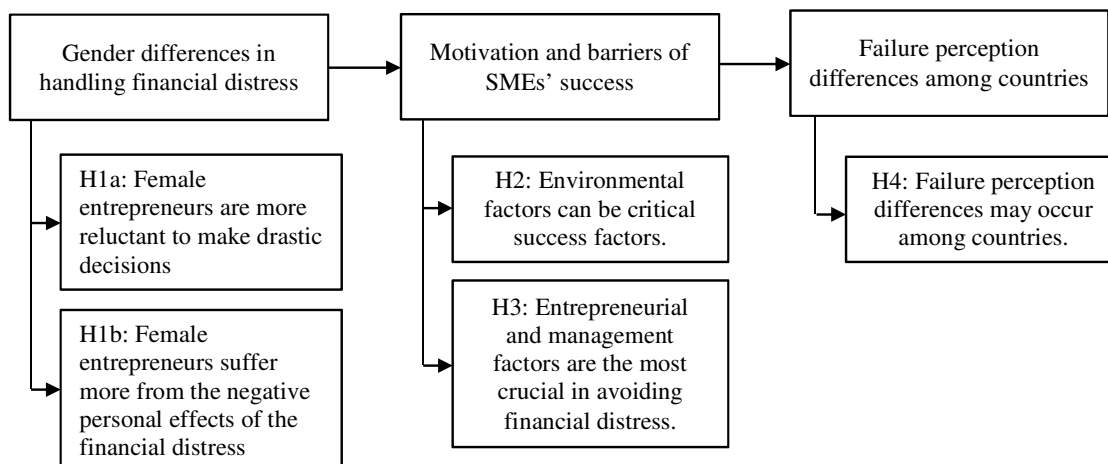
The aim of the research is to analyse the perception and attitude of entrepreneurs regarding market success and failure in the Czech Republic, Hungary and Serbia.

This research focuses on how respondents perceive the success or failure of their businesses, and which are the factors that could lead to success. The questionnaire was

elaborated by the Visegrad Project, which consists of four universities and a professional organization from Visegrad Four and Serbia (Tomas Bata University, Czech Republic; Obuda University, Hungary; University of Ss. Cyril and Methodius, Slovak Republic; Managers of Quality and Production Association, Poland; University of Belgrade, Serbia).

Small- and medium sized enterprises that suffered from financial failure are conducted, thus, regarding these factors, pre-screening was used during the sample selection process. This research applied online survey for approaching business success from different perspectives.

The topic is analysed from two perspectives: (1) which are the factors and motivations for success, and which are the barriers to success and (2) what kind of differences can be found between gender groups in experiencing and handling financial distress (Figure 1). The survey applies closed-ended questions, thus five-point Likert-scales, and open-ended questions to highlight qualitative perspectives of the topic.



Source: Authors' compilation

Figure 1. Research design

At the analysis, descriptive statistics are applied, such as mean (M), median (Me), and mode (Mo). The correlation related to gender and countries are highlighted by variance analyses. The qualitative results are analysed and evaluated based on Hungarian and Serbian data. As analysis method, content analysis, including framework method, and word cloud are used.

The total sample consists of 329 entrepreneurs whose business suffered from financial distress, in which female has a proportion of 38.3% (126 respondents), and male 61.7% (203 respondents). Considering nationality, 95 respondents are from the Czech Republic, 100 from Hungary, and a further 134 are asked in Serbia. Table 2 shows the proportion of female and male respondents and also their distribution in business in the selected countries.

4. RESULTS AND DISCUSSION

4.1. Gender Differences of Business Failure of SMEs

The common feature of these three countries is that their economies went through a transitional period after the socialist regime, which meant a big step back in the entrepreneurial mentality. It can be

said they had to relearn how real business works but in a different environment which was described by privatization, globalization and internalization and flow of foreign capital. By the changes of economic conditions and cultural traditions (e.g. change of women's and men's role in household and family) women started to colonize business world. However, legal equality of men and women does not mean total similarity in business thinking and actions. This section tries to highlight those features which worth examining in relation to business failure and its consequences from a gender-difference point-of-view.

Sample screening criteria was that the entrepreneur had to change the business direction of his/her SMEs, suffered financial difficulty or he/her was entrepreneur in the past and decided not to be anymore. We could see that only the Serbian sample shows visible difference in the proportion of female entrepreneurs who suffered financial difficulty or failure in her business in the previous years (Table 2). This suggests that among women, failure rate in Serbia can be significantly higher than in the other two countries where the proportions in the two columns show no essential differences.

Babović (2012) found that SMEs owned by men have a lower default rate SMEs (38%) in comparison with the SMEs owned

Table 2. Proportion of gender groups in the sample and among all entrepreneurs in their countries

Proportion of entrepreneurs by gender	HU		CZ		SRB	
	In the sample	Among all entrepreneurs	In the sample	Among all entrepreneurs	In the sample	Among all entrepreneurs
Female	32%	34%	33.7%	29%	46.3%	28.9%
Male	68%	66%	66.3%	71%	53.7%	71.1%
Total %	100%	100%	100%	100%	100%	100%
Total number	100	-	95	-	134	-

Source: own research; national data from: visegradrevue.eu (2015) and Avlijas et al, 2012, Chapter 1.b. p.9

by women (47%) in Serbia. One explanation can be that according to most recent studies, women-owned businesses in Serbia get five times less subsidies than men-owned ones. The main reason behind that is the “indirect discrimination”, which means that subsidies programs are typical on manufacturing, processing and export activities – sectors where women's participation is traditionally lower (United Nations, Women, 2019). In line with that, in the EU, typical activities preferred by female entrepreneurs are in the human health, social work and education sectors. This pattern can be seen among Visegrad countries, but added financial services are also worth to mention. Women show relatively lower representation in construction, transportation and storage, water supply, information and communication, and manufacturing sectors, like in the EU (Mong, 2016).

Panic and Voza (2019) highlights the main obstacles for women to be leaders of a business in Serbia. Economic barriers can be very common for both gender groups such as lack of capital, difficulty in entering the market, lack of knowledge, administrative difficulties of getting credits, legislation issues. Despite the growing trend of women in higher education, women are still form the great majority of illiterate people. Culturally the biggest problem is the deeply embedded traditional role of women – mainly at the rural areas - who should take care of the family and household instead of being breadwinner (Panic and Voza, 2019).

Education is one of the key factors for the success –and the lack of it for the failure- of an SME. The typical hypothesis is that the higher the level of the education of an entrepreneur the less likely he/she will fail, because knowledge helps the entrepreneur to make better analysis and to understand more

the environment and processes, therefore to make better decisions in the future. According to Vuković and Urošević (2019), entrepreneurship was believed as something needed less education to do but this attitude has changed in Serbia, and the higher and higher proportion of women in higher education can help them to start their own business in the future. The same tendency is experienced in Hungary in connection with the proportion of women in higher education.

In our sample, the education level of respondents was relatively higher in the Hungarian and in the Serbian sample – with no significant differences between gender groups. (Table 3) The Czech sample shows relatively lower proportion of highly-educated man. However, the sample screening criteria was having financial distress/failure in the past, so it may mean that higher-educated Czech male entrepreneurs could react better for the environmental changes or challenges.

Among women, those between 20 and 30 years old (or even younger in the Czech Republic and Hungary) and women above 40 in all Visegrad countries are the more active in starting a new business (Mong, 2016). Research results shows interesting finding that gender groups show no difference in the years of entrepreneurial experience at the time of the financial crisis/failure of their business. In Hungary and in the Czech Republic after 10 years (10.41 and 10.22 years) in the business they faced up with a serious situation, while in Serbia, the average is 6.36 years. That can be partly explained by the later transition in the Serbian economy (Table 4).

An interesting finding of the research is that gender groups show no difference in their actions when a financial crisis or failure

threatens their business. (Table 5) However, countries show different patterns of actions. In the Hungarian sample developing new services were the most typical reaction for the hard time, while both in the Czech and the Serbian sample closing the business seemed to be the best solution for the difficulty. In the Czech Republic, broadening the list of services were chosen only for every sixth entrepreneur.

Beside the rational and objective analysis of the consequences of a business failure for SMEs, it is worth highlighting the attitude toward business failure of entrepreneurs. In the research, two groups of statements were listed to explore the attitude of the respondents: the first three statements were

formulated as a general view on business failure, but the second three statements focused on the personal feelings and experiences of the entrepreneurs on handling the situation (emotionally, financially and their belief in their own capabilities) (Table 6).

In connection with statements reflecting to the general view on business failure, there was no significant difference in the evaluation of gender groups in the three subsamples. Although female respondents' answers showed slightly stronger self-confidence decrease because of a business failure, and they could accept that less as a part of the business, these differences were not convincing from a statistical point-of-view (Figure 2).

Table 3. Highest level of education of entrepreneurs – by gender groups in the sample in the three countries

		Male	Female	Total
HU	High school diploma and under diploma	26.5%	34.4%	29.0%
	Professional education	27.9%	18.8%	25.0%
	B.Sc./M.Sc. or PhD	45.6%	46.8%	46%
	Total	100.0%	100.0%	100.0%
CZ	High school diploma and under diploma	47.6%	43.8%	46.3%
	Professional education	22.2%	9.4%	17.9%
	B.Sc./M.Sc. or PhD	30.2%	46.8%	35.8%
	Total	100.0%	100.0%	100.0%
SRB	High school diploma and under diploma	51.4%	45.2%	48.5%
	Professional education	5.2%	8%	6.7%
	B.Sc./M.Sc. or PhD	43.4%	46.8%	44.8%
	Total	100.0%	100.0%	100,0%

Source: own research. Total sample: HU N=100, CZ N=95, SRB N=134

Table 4. Entrepreneurial experience in years at the time of the financial crisis/failure – by gender groups (mean in years)

Mean of entrepreneurial experience (in years)	HU N=100	CZ N=95	SRB N=134
Female	10.38	9.68	6.59
Male	10.42	10.5	6.21
Total	10.41	10.22	6.36

Source: own research. ANOVA test shows no significant difference between gender groups at $p < 0.05$ level ($F(1,95)=0,001$; $F(1,92)=0,206$; $F(1,106)=0,106$) in order of the countries.

Table 5. Reaction of entrepreneurs for the business failure/financial difficulty – by gender groups

		Male	Female	Total
HU	I closed the business	23.50%	34.40%	27.00%
	I changed the production with different products	26.50%	25.00%	26.00%
	I started to develop new services	50.00%	40.60%	47.00%
	Total	100.00%	100.00%	100.00%
CZ	I closed the business	55.60%	50.00%	53.70%
	I changed the production with different products	31.70%	34.40%	32.60%
	I started to develop new services	12.70%	15.60%	13.70%
	Total	100.00%	100.00%	100.00%
SRB	I closed the business	51.40%	43.90%	48.10%
	I changed the production with different products	12.50%	17.50%	14.70%
	I started to develop new services	36.10%	38.60%	37.20%
	Total	100.00%	100.00%	100.00%

Source: own research Total sample: HU N=100, CZ N=95, SRB N=134. There is no statistically significant difference between gender groups at $p < 0.05$ by Chi-Square test. (Chi-Square: 1.373 $p = 0.503$; Chi-Square: 0.300 $p = 0.861$; Chi-Square: 0.978 $p = 0.613$ in order of appearance of countries)

Table 6. Attitude toward business failure in general – means by gender groups

Means on a 5 point scale	HU N=100			CZ N=95			SRB N=134		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Failure decreases the self- confidence of an entrepreneur	3.46	3.75	3.55	3.41	3.63	3.48	3.71	3.76	3.73
Failure is a part of business, people have to accept that	3.71	3.50	3.64	3.79	3.78	3.79	3.86	3.82	3.84
Failure is just something what teaches you for the future	3.72	3.28	3.58	3.63	3.59	3.62	3.82	3.84	3.83

Source: own research (mean on a 5 point agreement scale: 1 – totally disagree, 5- totally agree) No statistically significant difference has been found in ANOVA at $p < 0.05$ between gender groups.

Cronbach alpha for the second three statements examining the personal reactions of the businessmen and -women for the failure, were 0.834 in the Czech sample, 0.733 in the Hungarian sample and 0.798 in the Serbian sample. That shows our scales are reliable. Hungarian respondents show

stronger personal reactions to the experienced failure than the respondents do from the other two countries. Moreover, for women the difficulty in their firms affected their personal life emotionally worse than for men; and they feel a decrease in their self-confidence as well. However, these patterns

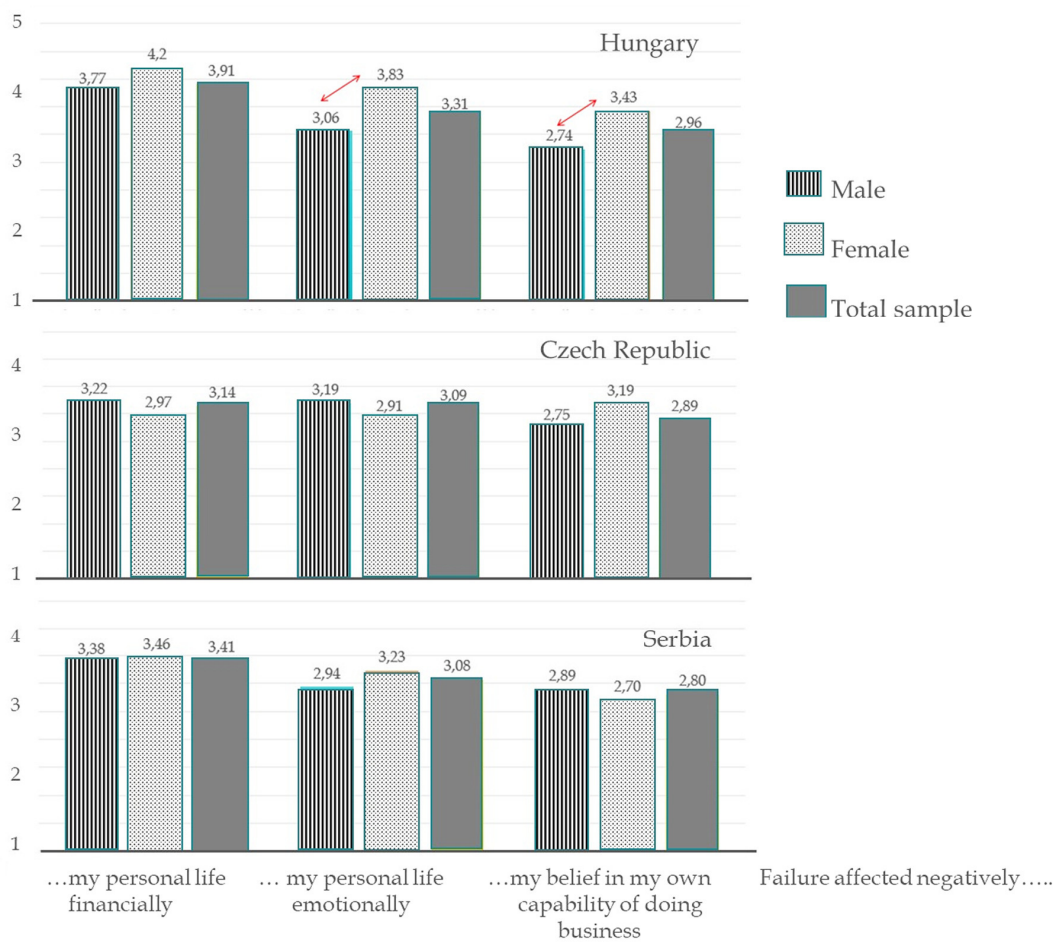
cannot be seen (at all or not as strong as) in the Serbian or in the Czech samples.

Another interesting result of this study - partly contrary to expectations - is the downsizing of employees because of the failure. Women are said to be more sensitive and emotional in decision-making and more caring and understanding toward their employees. Therefore it was surprising that at the time of the financial crisis/failure of their firms, firing employees was as frequently used as a solution (or was a necessity) as for men.

Our results shows that in hard times women are as rational and logical as men in business

are. Women did not fire less employees than men: if that can help the business to survive, they are ready to make that step. In Serbia, that was the less common reaction (37% in the total sample), 42,1% was the proportion of firms decreased the number of employees in the Czech Republic, and 53 % fired employees in the Hungarian sample (Table 7). However, in the Hungarian sample it means extremely high rate if taking into consideration that in this sample only 27% of the respondents closed the business (which means almost automatically that people lose their jobs).

Although the relatively low subsample



Source: own research (statements evaluated on 5 point scale 1- totally disagree, 5-totally agree) Sample size: HU N=100, CZ N=95, SRB N=134) red arrow shows statistically significant difference between means at $p < 0.05$ ($F(1, 93) = 6.614$ and $F(1, 93) = 5.555$ in order of appearance)

Figure 2. Differences of personal experience of the business failure between gender groups – means on a 5-point scale

Table 7. Downsizing at SMEs at the time of the financial difficulty/failure – by gender groups of the leader of the enterprise

		Male	Female	Total
HU	Fired nobody	47.1%	46.9%	47.0%
	Fired employees	52.9%	53.1%	53.0%
	Total	100.0%	100.0%	100.0%
CZ	Fired nobody	60.3%	53.1%	57.9%
	Fired employees	39.7%	46.9%	42.1%
	Total	100.0%	100.0%	100.0%
SRB	Fired nobody	64.8%	60.7%	63.0%
	Fired employees	35.2%	39.3%	37.0%
	Total	100.0%	100.0%	100.0%

Source: own research, no statistically significant difference at 0.05 significance level between gender groups (Chi-Square test) Total sample: HU N=100, CZ N=95, SRB N=134

size of those who fired employees in each country prevent us to do further analysis on the data, it is worth to show what level in the firm hierarchy were affected by this action. Majority of struggling firms fired production workers: their proportion is between 60-70 percent in the sample. It is not surprising, because their work is connected most to the output of the firm and in critical situation, the production may be decreased. Administration, as a basic, supportive task, much less connected directly to the output. SMEs can save resources and money on it less efficiently – also because administrative workers sometimes do multiple tasks at the same (secretary, bookkeeping, customer service). The less probable action is firing middle or higher-level managers in case of financial difficulty (5-15.7%) – that was common in the three samples. SMEs hierarchical structure – in majority of the cases – is relative flat, managers are not only responsible for strategic decisions and future planning, but for operative decisions.

4.2. External Factors of Financial Difficulties of SMEs

The scale, which measures the external factors, determine financial distress is

conducted. The reliability of the applied scale is quite low. Applying Cronbach's alpha as a reliability indicator, the values are lower than the critical 0.7. For the whole sample (N=329), its value is 0.647. In case of Czech Republic that is 0.571, while Hungary has a measure of 0.645, thus Serbia has the highest value: 0.666 as it has the largest sample size. Considering the whole sample, every scale item should be kept, as deleting an item would cause decrease Cronbach's alpha. However, conducting the subsamples social and economic issues should be ignored in the Czech case, and ecological from the Serbian data, in order to increase reliability.

The inter-item correlation is negative in case of political and social issues in the Czech subsample, and regarding political and technological issues in the Hungarian subsample, and so in case of economic and ecological issues in the Serbian subsample, which refers to that, these attributes do not explain the main variable. Thus, these should be excluded from the analyses, but the total sample data show that every factor should be taken into account. The conducted attributes should be adjusted more thoroughly to the scale, in order to enhance reliability.

Not surprisingly, the reasons for financial

Table 8. External factors of SMEs' financial difficulties

Country	Political issues			Economic issues			Social issues			Technological issues			Ecological issues			Legislative issues		
	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB
N	95	100	134	95	100	134	95	100	134	95	100	134	95	100	134	95	100	134
Mean	2.26	2.99	3.31	3.56	4.08	4.04	2.95	2.94	3.49	2.54	2.99	2.74	2.18	2.99	2.01	2.96	2.15	3.43
Median	1.98	2.97	3.62	3.62	4.29	4.36	3.05	3.08	3.63	2.51	3.02	2.78	1.96	3.02	1.76	3.00	2.04	3.81
Mode	1	1*	5	3	5	5	3	3	3	3	4	3	1	4	1	1*	1	5
Std. dev.	1.31	1.47	1.65	1.18	1.11	1.30	1.10	1.17	1.32	1.15	1.42	1.31	1.21	1.42	1.20	1.45	1.06	1.60

*Multiple modes exist. The smallest value is shown.

Note: Significant differences are found related to political ($F = 13.696$, $p = 0.000$), economic ($F = 5.474$, $p = 0.004$), social ($F = 8.063$, $p = 0.000$), and legislative issues ($F = 4.023$, $p = 0.019$) among countries.

Source: Authors' compilation

distress can be led mainly to economic issues undependable from countries (Table 8.). Although that is remarkable that social issues count secondly for business difficulties. Applying ANOVA analysis, there are significant differences in perceiving failure factors related to political ($F = 13.696$, $p = 0.000$), economic ($F = 5.474$, $p = 0.004$), social ($F = 8.063$, $p = 0.000$), and legislative issues ($F = 4.023$, $p = 0.019$) among countries. However, no significant differences are found in perceiving technological and ecological issues.

4.3. Internal Factors of Financial Difficulties of SMEs

The assessed entrepreneurial factors which may result in financial distress are related to management skills, openness to novel approaches. A further enterprise factor that has been analysed is total debts, which provide a basis for implementing ideas. The applied scale is appropriate to measure the internal factors of financial difficulties as Cronbach alpha is above 0.7 (Table 9.). In case of the total and the Czech sample, reliability would be increased by excluding the fall of motivation. However, this factor enhances the appropriateness of the Hungarian and Serbian measurement.

'Management of receivables/ payables'

($M_{CZ} = 3.34$, $Me_{CZ} = 4$, $Mo_{CZ} = 4$; $M_{HU} = 3.42$, $Me_{HU} = 4$, $Mo_{HU} = 5$; $M_{SRB} = 3.60$, $Me_{SRB} = 4$, $Mo_{SRB} = 5$), and the 'fall of motivation' ($M_{CZ} = 3.15$, $Me_{CZ} = 3$, $Mo_{CZ} = 4$; $M_{HU} = 2.77$, $Me_{HU} = 3$, $Mo_{HU} = 3$; $M_{SRB} = 3.22$, $Me_{SRB} = 3$, $Mo_{SRB} = 3$) play the most important role in the internal factors of financial distress among the analysed countries (Table 10).

The differences among countries perceiving internal factors of financial distress are also conducted using variance analysis. Significant differences are in 'fall of motivation' ($F = 3.699$, $p = 0.026$), 'delegation of responsibilities' ($F = 3.050$, $p = 0.049$), the 'level of fixed assets free from any burden' ($F = 20.118$, $p = 0.000$), and in the level of 'clearing/barter transaction' ($F = 9.190$, $p = 0.000$) among countries. Although there are no significant differences in perceiving the following internal factors: 'management of receivables/payables', 'delay in fulfilling bank obligations', 'difficulties in acquisition of innovation', and 'inability to find new potential partners'.

4.4. Perceiving Failure in Hungary and Serbia: A Qualitative Approach

Conducting open-ended questions, there are significant differences perceiving failure related to the most important features, such

Table 9. Analysing Cronbach's Alpha as a reliability indicator for measuring internal failure factors of SMEs

Country	Cronbach's Alpha				Cronbach's Alpha excluding the factor			
	CZ	HU	SRB	N	CZ	HU	SRB	N
N	95	100	134	329	95	100	134	
	0.726	0.764	0.752	0.751				
Management of receivables/payables					.743	.745	.743	.741
Delay in fulfilling bank obligations					.717	.750	.717	.724
Fall of motivation					.733	.750	.733	.757
Delegation of responsibilities					.661	.741	.661	.722
Difficulties in absorption/acquisition of new technologies/innovation					.673	.736	.673	.714
Inability to find new potential shareholders/partner					.716	.741	.716	.735
The level of fixed assets free from any burden					.667	.723	.667	.705
The level of clearing/ barter transaction					.670	.730	.670	.704

Source: Authors' compilation

Table 10. Internal factors of SMEs' financial difficulties

Country	Management of receivables/ payables			Delay in fulfilling bank obligations			Fall of motivation			Delegation of responsibilities		
	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB
N	95	100	134	95	100	134	95	100	134	95	100	134
Mean	3.34	3.42	3.60	3.04	2.82	2.83	3.15	2.77	3.22	2.41	2.82	2.79
Median	4	4	4	3	3	3	3	3	3	2	3	3
Mode	4	5	5	1	1	1	4	3	3	1	3	3
Std. dev.	1.35	1.34	1.43	1.48	1.48	1.47	1.20	1.36	1.35	1.23	1.28	1.38

Country	Difficulties in absorption/ acquisition of new technologies/ innovation			Inability to find new potential shareholders/ partner			The level of fixed assets free from any burden			The level of clearing/barter transaction		
	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB	CZ	HU	SRB
N	95	100	134	95	100	134	95	100	134	95	100	134
Mean	2.33	2.54	2.62	2.47	2.90	2.77	2.05	2.49	3.07	2.05	2.50	2.79
Median	2	2	3	2	3	3	2	2	3	2	2	3
Mode	1	1	1	1	3	1	1	3	3	1	1	3
Std. dev.	1.26	1.36	1.38	1.38	1.37	1.43	0.98	1.19	1.39	1.07	1.33	1.39

Note: Significant differences are found related to fall of motivation (F = 3.699, p = 0.026), delegation of responsibilities (F = 3.050, p = 0.049), the level of fixed assets free from any burden (F = 20.118, p = 0.000), and the level of clearing/barter transaction (F = 9.190, p = 0.000) among countries.

Source: Authors' compilation

as management of receivables and/or payables and the fall of motivation.

Table 11 summarizes the responses of entrepreneurs in Hungary and Serbia countries. The notion of business success is highly diverse, and the research in these two countries shows that while some components of success turned out similarly for Hungarian and Serbian companies (such as motivation), other components of success were variable. Businesses have different ideas about success as a concept. In order to find this out,

the opinion of respondents are examined with open-ended questions, where they had to describe the key components of a successful business. The results were analysed by content analysis and coding categories were developed based on similar terms. The coded responses of entrepreneurs are shown in two word clouds using WordClouds.com. The results is depicted in Figure 3.

The word clouds reveal that Hungarian entrepreneurs consider capital, qualified and

above all available labour and innovation to be crucial to the success of a strong business. Although the proportion of Hungarian respondents is significantly lower than the respondents from Serbia. The results allow to infer and outline the idea of a successful enterprise. Due to the higher number of Serbian respondents, the word cloud shows that entrepreneurs use significantly more terms, but "finance", "workforce" and "investments" stand out. Entrepreneurs think that financial instruments and liquidity are important components of success, but the skilled workforce and the number of available investments cannot also be neglected.

5. CONCLUSION

The research shows how SME entrepreneurs view business success, how they see a profitable business run, and what are the challenges they face in business. The results of the research do not offer a sure-fire recipe for successful entrepreneurship, - as the operation of an enterprise depends on

many other aspects than the age of the enterprise, field of operation, or even the attitude of the entrepreneur - but it is a starting point for how entrepreneurs in the two countries imagined it. Combining the responses of entrepreneurs from different areas can be an excellent source for start-ups, which areas are worth focusing on.

The most important finding of this study concerning the gender differences of SMEs failure is that in majority of the dimensions male and female entrepreneurs show similar patterns in the three countries. They try to give a second chance for the business by providing different products or new services for the customers at the time of a financial distress, but also ready to close the business if it seems to be the best solution. The results show no support for H1a hypothesis, which means, female entrepreneurs do take rational, drastic actions to solve financial problems in their business.

Not only their actions, but also their attitude toward failure is very similar to men's attitude. The only difference was detected in the Hungarian sample is that women felt more emotional problems and loss of self-

Table 11. Factors and barriers of success – in the Hungarian and Serbian sample

Aspects of success	HU	SRB
Qualified workforce	+	+
Financial motives	+	+
Self confidence	+	+
Capital strength	+	
Productiveness	+	
Innovation	+	
Market share of products		+
Independence		+
Potential for investments		+
Barriers of success	HU	SRB
Financial difficulties	+	+
Management of account receivables	+	+
Economic issues	+	+
Lack of qualified workforce	+	
Political-legal difficulties		+

Source: own research Total sample: HU N=100, SRB N=134



Source: own research; HU: N=48, SRB: N=130

Figure 3. Failure Perception of Hungarian (upper) and Serbian (bottom) SMEs

confidence after the financial distress of the business. Therefore, results only partly support our H1b hypothesis, and in the other two countries women and men entrepreneur perceive business failure – in general and personally – the part of life and a chance to learn and develop their entrepreneurial capabilities.

More and more women take part in higher education, therefore more of them will have the knowledge and self-confidence to start a new business and make it successful. However, there are still traditional social roles – especially in Serbia –, which prevent them to use all of their chances to become businesswomen.

Environmental factors can be critical success factors of SMEs, as economic and

social issues count mainly for financial failure (H2). Considering entrepreneurial and management issues, ‘management of receivables/payables’ and the ‘fall of motivation’ are barriers to success, thus entrepreneurial preparedness can avoid financial distress (H3).

The basis of country comparison was the similar historical past. Thus, the literature review tried to form a common approach for assessing the selected countries. However, depending in the conducted factor, significant differences are explored among countries in perceiving financial distress. Thus, the most important environmental factors (economic and legislative issues) and one of the crucial features (‘fall of motivation’) in avoiding financial failure are

perceived differently. Among the most important issues, ‘management of receivables/ payables’ is found as key attribute in preventing failure undependable from countries. Thus, this factor may count for critical success factors in post-socialist countries.

The differences in failure perception among countries can be explored even in qualitative analysis (H4).

There are many other aspects, what can affect business success, but this research underlined the most important ones according to SMEs in Hungary, Czech Republic and Serbia. With paying attention to these factors, young entrepreneurs could lead their business into a more successful future.

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РАЗУМЕВАЊЕ ПРОПАДАЊА МСПа – ФОКУС НА ФАКТОРЕ УСПЕХА И РОДНИМ РАЗЛИКАМА: КОМПАРАТИВНА АНАЛИЗА МСПа У ЧЕШКОЈ, МАЂАРСКОЈ И СРБИЈИ

Melinda Majláth, Anikó Kelemen-Erdős, Cyntia Valocikova

Извод

У последње три деценије жене су започеле освајање пословног света - све је више жена предузетница широм света. Међутим, њихов удео међу пословним лидерима је и даље много мањи од њиховог удела у друштву. У ЕУ, креатори политике посвећују посебну пажњу женским пословању - посебно у сектору МСП-а. Подразумева се да је пословање ризична активност, а неуспех или финансијске потешкоће готово су природан део тога. Учење из тешких времена и искуства других могу помоћи предузетницима у стварању бољих стратегија за опстанак.

Циљ овог рада је указати на факторе и разлоге који доводе до финансијских потешкоћа како би се пружиле идеје које ће допринети да се те потешкоће спрече. Истраживање је спроведено на 329 предузетника који су раније били у финансијским потешкоћама у Чешкој, Мађарској и Србији путем интернет анкете.

Не постоје неке значајне разлике у перцепцији финансијских тешкоћа по питању пола. Међутим, међу земљама постоје мале разлике, углавном у предузетничким факторима.

Кључне речи: мала и средња предузећа (МСП), конкурентност, критични фактори успеха, женско предузетништво

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