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**Part Two****DYNAMICS OF THE MAJOR CHARACTERISTICS OF THE ENTREPRENEURS AND THEIR BUSINESS**

(unidimensional distributions of the empirical sociological surveys “Private business in Bulgaria – 1991, 1997 and 2004”

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## 2. Social roles and identification models

By choosing social roles<sup>31</sup> the entrepreneurs reveal their understanding of social functions and the purpose of entrepreneurship. Simultaneously, this choice uncovers the preferred public image of the entrepreneur. This is the way the entrepreneurs identify and assert themselves in the eyes of society. They state: "Here I am, I want you to take me playing this particular role". In the constant dialogue with the general public the entrepreneur answers the question everybody asks: What kind of people are you, the entrepreneurs?

In 2004 the entrepreneurs asserted themselves most often by the image of the *professional* ("The businessman is most of all a professional in his field" – 48%) – Table 6. The image of the universal *moneymaker* is also strong and of some public importance ("The businessman is a person who can make money from anything" – 38%). The image of the entrepreneur *exploiter/parasite* has the smallest relative share ("It is important for the businessman to make profit from the work of others" – 9%). This structure of the identification attitudes reflects the general condition of public values and accumulates in itself the major implications of the development of the Bulgarian society and entrepreneurship after 1989.

Table 6 DYNAMICS OF THE PREFERRED  
ENTREPRENEURIAL ROLES

There exist different opinions about business and businessmen. Which of the following statements is closest to your opinion?	1991	1997	2004
(1) The businessman is most of all a professional in his field.	43	44	48
(2) It is important for the businessman to be able to make profit from the work of others.	4	11	9
(3) The businessman is a person who can make profit out of everything.	50	43	38
(4) Other opinions	3	2	5
Total	100	100	100

<sup>31</sup> See Gradev, D., Social Roles of the Individual, S., 1984 – bibl. № 25; Dzhonev, S., The Social Organization, 1, 2, 3, S., 2001 – bibl. № 36.



Two major tendencies of the identification models of the entrepreneur can be observed for the period 1991–2004. The relative share of the entrepreneur *professional* has grown (“The businessman is most of all a professional in his field” – in 1991 – 43%, in 1997 – 44%, and in 2004 – 48%). The share of those who identify themselves with the universal *moneymaker* has shrunk (“The businessman is a person who can make money from anything.” – in 1991 – 50%, in 1997 – 43%, and in 2004 – 38%). These tendencies are indicators of the value attitudes of society. They manifest themselves in the expectations and the requirements towards entrepreneurs and respectively in the substantiating of the social roles and identification models preferred. As far as it concerns the role of the *exploiter* after the conspicuous increase for the period 1991–1997 (from 4% to 11%) there can be traced a relative steadiness of the percentage afterwards.

Business creates value – products with useful characteristics for the consumer (value for others) – and against this value the entrepreneur receives compensation for his own efforts (value for the entrepreneur). These values are inseparably interwoven but in the efforts of the entrepreneur they can have a different status and acquire a different meaning in terms of the *categories of purpose and means*.

- Any identification with: “*The businessman is most of all a professional in his field*” gives priority to the *care for the client*. It is exactly the client who becomes the priority and the meaning of the entrepreneur’s effort. This identification model carries the message: I think first of all about the others (the client). I expect some compensation for me as the natural consequence of the good work for the client. That is why I deal with things I am knowledgeable of and things I can do well. It is important for me to do things well in order to offer the best to my client.
- The preference for: “*The businessman is a person who can make profit out of everything*” implies the priority of one’s expected compensation (the entrepreneur’s interest). In this message the care for the client is important but it plays a subordinate role – it is *a means* of satisfying one’s own interest.

The changes of the scope of the predominant identification models indicate that for the period under consideration society has become more sensitive to the understanding of the concept of *client*. Today this concept is less abstract and has a clearer meaning. Society requires from the entrepreneur to think about it as a *Client*, to respect it, to offer the best to it, and “to please it”. And the entrepreneurs have to take into consideration these requirements.

The outlined tendencies of the identification attitudes of the entrepreneur are associated also with the peculiarities of the start of one's business and with the professional development of the people doing private business. For a considerable part of the entrepreneurs one's start in business is a process of trials and mistakes, of groping and testing. The important thing is *"to do something"*, very often without any clear well-scheduled plan.

In their attempt to work on their own account most of the fledgling entrepreneurs have tried a new, unknown to them, sphere of activity. Some of them passed through completely different spheres and activities in order to settle in a particular field. Others gave up. Still others stayed in business and gained experience. Gradually the latter became professionals. Gaining professionalism is associated with a longer operation in a particular field, with the raising of one's awareness of a particular economic branch, with the necessity and the choice to follow the rules and the best practices in a given sphere. All this is inevitably accompanied by making sense of the value of one's own efforts within the context of specific relations and more general value attitudes.

The changes in the choice of the identification model can be traced also by the change in the leading motives of the entrepreneurial activity – Table 7.

Table 7 DYNAMICS OF THE LEADING MOTIVES  
FOR STARTING PRIVATE BUSINESS

What made you take up your own business? (a very important reason)	1991	1997	2004
(1) Personal fulfillment, putting into practice my own ideas	69	60	58
(2) I can earn more in the private sector.	69	59	54
(3) The time was right for conquering new territories.	57	37	33
(4) To prove that I am not less capable than the others.	40	30	38

In 1991 the preponderance of the answer "The businessman is a person who can make money from anything" is associated with the high relative share of people for whom the opportunity to earn more in the private sector is an important reason to take up private business (1991 – 69%, 1997 – 59%, and in 2004 – 54%). This motive presupposes the choice of the



*moneymaker* answer. Throughout the years the relative share of the leading motives for taking up private business has decreased but at a different rate. Today the personal fulfillment and the opportunity to put into practice one's own ideas are much more important. (1991 – 69%, 1997 – 60%, 2004 – 58%) – a motive, which is associated with the choice of the role of the *professional*.

Some special attention should be paid to the identification with the image of the *exploiter/parasite* (1991 – 4%, 1997 – 11%, and 2004 – 9%). The attitude towards this model is indicative of the change/viability of important ideological layers in social consciousness. In 1991 to proclaim oneself an exploiter was totally unacceptable. The reasons were at least two. The first is associated with the predominantly negative assessment of private business by society (Table 8).

Table 8 DYNAMICS OF THE PUBLIC OPINION  
ABOUT PRIVATE BUSINESS

There are people who look unfavourably on those who deal with private business. How do you stand with most people?	1991	1997	2004
(1) People's attitude is entirely positive.	8	13	22
(2) They regard me more positively rather than negatively.	32	44	45
(3) They regard me with indifference.	26	19	18
(4) They look unfavorably on me; they envy me.	34	24	15
Total	100	100	100

Alongside with the above-mentioned reason at the beginning of the transition towards a society of the market type the ideological patterns of the communist social relations were strong enough whereas the capitalist social relations were still rudimentary and because of that non-transparent. In the last sixty years the word *exploiter* has been a dirty word and the *exploiters* have been considered to be “the people's enemy”. Under such conditions, even if you share the opinion that for the entrepreneur it is most important “to make profit out of the work of others”, it is rather unlikely that one would make this statement in public.

With the development of the market economy the relationship capitalist –

employee has become more transparent and comprehensible. Simultaneously, in 1997 and in 2004 society became *much more tolerant* towards the representatives of private business (Table 8). In these conditions the necessity to give answers, which society likes, has decreased. Thus a change of the ideological layers of consciousness becomes apparent. And although the relative share of the entrepreneurs, who identify with the role of the exploiter, has increased, even today this role/identification is still denounced and considered unacceptable.

The increase of the relative share of the entrepreneur *exploiter* in the period 1991–1997 from 4 to 11% gave grounds to foresee that the third survey (2004) would render a higher percentage. This hypothesis was not confirmed. As if the pendulum effect were at work: the strong desire to shake off and to dissociate from our former views (1991 – 4%) throws us into a new (extreme) position (1997 – 11%) because of which the pendulum swings back (2004 – 9%). This effect can be defined in another way as well: the period of the initial accrual of capital in Bulgaria is over and “the permissible and justifiable” for the beginning of that period has already become impermissible and unjustifiable.

The development of entrepreneurship in Bulgaria is associated with the building up and gaining specific social experience. In 1991 this experience was too limited. There existed many hopes and self-delusions characterizing the beginning of the transition. Such were: “Private business and free competition are the panacea for solving all problems” or “There will be big money in private business”, etc. The gaining of social experience – that of the entrepreneurs already “in business” and that of society about “business” – has gradually changed these attitudes. Today the self-assessment of the entrepreneurs and the way society assesses entrepreneurs are more balanced and realistic. The common experience – everything society and business have learnt together – and the access to other models (how something is done “around the world”, or in “the developed countries”, etc.) gradually builds up new visions and results in a new assessment of entrepreneurship. Today the Bulgarian society is more tolerant towards entrepreneurs (Table 8) but at the same time it has become more demanding in its different and strict requirements towards them.

The statistically proved dependencies of the “identification model” variable provide the opportunity to trace the way in which the entrepreneurs give reasons for the social image they prefer to assert.

- The entrepreneurs who believe that “One can accumulate wealth without depriving the others” more often than not identify themselves with the



image of the *professional* (in comparison with those who do not share this opinion).

- The entrepreneurs who value the individual efforts of every person ("The efforts of each person should be further stimulated."<sup>32</sup>) when choosing an identification model they replicate to a great extent the general choice structure (*professional* – 48%, *moneymaker* – 38%, *exploiter* – 9%). Those who do not support the individual efforts<sup>33</sup> of every person, identify themselves in a completely different way (*professional* – 33%, *moneymaker* – 28%, and *exploiter* – 33%).
- The adherents to the maxim: "Be brave and you will succeed"<sup>34</sup> replicate also the general structure of the identification model. Those who do not follow this rule have made a different choice (*professional* – 34%, *moneymaker* – 42%, and *exploiter* – 18%).

The preferred success model can be considered as a self-identification determinant as well. The desire *to become a millionaire* fosters the choice of the *moneymaker* model and the *exploiter* model, and respectively limits the choice of the model of the *professional*. The more abstract statement *to be extremely successful in business* replicates the general structure of the role identification. When success is perceived as self-fulfillment ("to fulfill oneself") the number of choices of the *professional* increases whereas the number of choices of the *moneymaker* decreases. The strive of the entrepreneurs to implement a particular project makes them more inclined to choose the *professional* and the *exploiter* model and less inclined to choose the *moneymaker* model.

The way of self-identification is influenced by particular entrepreneurial qualities. For instance the entrepreneurs, who state that they are *enterprising* and *determined*, replicate the general structure of choices. Whenever they do not think they are *enterprising* and *determined*, they choose more often the model of the *professional* and the *exploiter* and very rarely the *moneymaker* model. It can be presumed that the enterprising qualities and determination are interpreted as a prerequisite and a *conditio sine qua non* for the successful moneymaking.

<sup>32</sup> To agree with this means to support the differentiating model of social justice – society has to compensate each of its members according to their personal efforts and contribution.

<sup>33</sup> We can define them as supporters of the egalitarian model of social justice – those respondents admit the necessity for differentiating the compensation in accordance with the personal efforts but they call for differentiation within narrow limits.

<sup>34</sup> As an antithesis to this maxim one can consider: "Be cautious and you will never be wrong."



The factor dependence tendencies are summed up and shown in Table 8.1.

Table 8.1 INTERDEPENDENCE BETWEEN THE ENTREPRENEUR'S CHOICE OF ROLE AND SPECIFIC ENTREPRENEURIAL QUALITIES AND VIEWS

Role of the entrepreneur	Increasing/ decreasing of preferences	Accompanying qualities/views
<b>The professional</b>	increasing	<ul style="list-style-type: none"> <li>- View about <i>wealth</i>: One can accumulate wealth without depriving the others</li> <li>- <i>Success</i> model: to fulfill myself</li> <li>- <i>Success</i> model: to implement a particular project</li> </ul>
	decreasing	<ul style="list-style-type: none"> <li>- <i>Success</i> model: to become a millionaire</li> <li>- Lack of initiative / lack of determination</li> </ul>
<b>The moneymaker</b>	increasing	<ul style="list-style-type: none"> <li>- <i>Success</i> model: to become a millionaire</li> <li>- Initiative / determination</li> </ul>
	decreasing	<ul style="list-style-type: none"> <li>- <i>Success</i> model: to fulfill myself</li> <li>- <i>Success</i> model: to implement a particular project</li> </ul>
<b>The exploiter</b>	increasing	<ul style="list-style-type: none"> <li>- <i>Success</i> model: to become a millionaire</li> <li>- <i>Success</i> model: to implement a particular project</li> </ul>
	decreasing	<ul style="list-style-type: none"> <li>- Lack of initiative / lack of determination</li> </ul>

When choosing an identification model some of the respondents point out also other qualities necessary for the business success – initiative-taking, resourcefulness, and risk-taking. The entrepreneur has a grasp of the economy and knowledge of the laws. He/she knows how to adapt to the market (to direct their business towards “a less occupied and profitable field”, to find clients, “to please people”). He/she works a lot (“he/she is a workaholic”) and has no leisure time. The entrepreneur creates jobs. They are selfless and “daring”. They are good organizers, leaders and have a way with people. They usually have nerves of steel and are fighters. They are practically minded. They are successful persons who constantly develop their business. They have connections and more responsibilities.

The choice of an identification model depends to a great extent also on *the region in which the place of business is located*. The relative share of the

entrepreneur professional doing business in Sofia and the other cities (all cities, which are regional centers with the exception of Plovdiv, Varna and Bourgas) is 46–48%. For Varna and the small towns this share amounts to 58–60%, and for Plovdiv and Bourgas it is 42% (Table 9).

Table 9 THE CHOICE OF THE *PROFESSIONALIST* ROLE  
DEPENDING ON THE TYPE OF THE PLACE OF BUSINESS  
(% of those who answered)

Identification model	Values close to the average for Bulgaria	Values higher than the average for Bulgaria	Values lower than the average for Bulgaria
The businessman is most of all a professional in his field. (average percentage for Bulgaria – 48%)	Sofia; cities (46–48%)	Varna; towns (58–60%)	Plovdiv, Bourgas (42%)

The share of the entrepreneurs *moneymakers* doing business in Sofia and Plovdiv is close to the average values for the whole country – 36–37% (Table 10). For Bourgas and the cities this share is greater than the average (42–43%) whereas for Varna (20%) and the small towns (28%) it is significantly lower than the average percentage for Bulgaria.

Table 10 THE CHOICE OF THE *MONEYMAKER* ROLE  
DEPENDING ON THE TYPE OF THE PLACE OF BUSINESS  
(% of those who answered)

Identification model	Values close to the average for Bulgaria	Values higher than the average for Bulgaria	Values lower than the average for Bulgaria
The businessman is a person who can make money from anything. (average percentage for Bulgaria – 38%)	Sofia, Plovdiv (36–37%)	Bourgas; cities (42–43%)	Varna; small towns (20–28%)

The identification model of the entrepreneur as an *exploiter* is most widely spread in Bourgas (12%), Varna (15%), and Plovdiv (17%) (Table 11).

Table 11 THE CHOICE OF THE *EXPLOITER* ROLE  
 DEPENDING ON THE TYPE OF THE PLACE OF BUSINESS  
 (% of those who answered)

Identification model	Values close to the average for Bulgaria	Values higher than the average for Bulgaria	Values lower than the average for Bulgaria
It is important for the businessman to be able to make profit from the work of others. (average percentage for Bulgaria – 9%)	Towns, cities, Sofia (7–9%)	Bourgas, Varna, Plovdiv (12–17%)	—

The explanation of these differences has to be sought in the uniqueness of the regional subcultures and in the specific models of making sense of the entrepreneurial activity in terms of values.