A Conceptual Paper on The Effect of Firm-Level Resources on Export Behaviour with Country-Level Institutions as Moderators: The Case of Young Entrepreneurs Across The Globe

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ABSTRACT

This paper proposes a conceptual framework to examine the firm-level resources, namely innovation and networking, towards export propensity and export intensity among young entrepreneurs across the globe. In addition, this study examines the moderating effect of country-level resources, which are formal and informal institutions, between firm-level resources and export propensity and export intensity among young entrepreneurs. Innovation is regarded as product innovation which refers to new products, services, or programs introduced to the market. At the same time, networking is a personal network made up of actors with whom an entrepreneur has direct or indirect relationships comprising domestic and foreign network partners. The findings could benefit not only young entrepreneurs but also policymakers in general in strengthening the roles of institutions that can help young entrepreneurs conduct business internationally. Therefore, the findings of this research are expected to provide a view of how young entrepreneurs can have an impact by penetrating the global market through selected resources.

Keywords: young entrepreneurs; firm-level resources; country-level resources; export behaviour

INTRODUCTION

Entrepreneurship is crucial as the main vehicle for economic development (Sergey Anokhin et al., 2008). Entrepreneurial activities influence a country's financial performance by introducing new products, methods, and production processes to the market, thus boosting productivity and overall competitiveness. Entrepreneurship is important for various reasons, including knowledge transfer, increased competitiveness, product and service diversification (Audretsch & Keilbach, 2004), creation of jobs, the introduction of innovations and productivity enhancements (Acs, 2006; Stel et al., 2005; van Praag & Versloot, 2007; Wong et al., 2011). By looking at the beauty of entrepreneurship, no doubt that many national governments are encouraging entrepreneurship activities that start early among youth.

Youth is best viewed as a transitional stage between childhood's reliance and adulthood's independence. Nonetheless, age is the simplest way to identify this group, particularly in terms of education and work, because the word 'youth' is frequently used to refer to someone between the ages of leaving compulsory education and getting their first job (UN DESA, 2014).