

# FLYING CROSS-BORDER TO ENTREPRENEURS: BUSINESS ANGELS IN CROATIA AND SLOVENIA

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## **Summary**

*The significant expansion of business formation is playing a key role in the transformation of transitional economies. As a result of this and, the development of more entrepreneurial business culture, the role of endogenous venture capital, equity market provision, and the potential for business angels involvement is also growing. Despite these entrepreneurially driven developments, and the encouragement of individuals to establish new businesses, start-up companies in Croatia and Slovenia, they are facing the immediate issue of raising capital. This paper undertakes a comparative analysis of business angels in Croatia and Slovenia as part of they represent a key part of the response and solution to this problem. Their primary motivation is capital growth, and they seek to fill an equity gap and compensate for failures in the venture capital market wherever they appear. The study documents the current state of business angel activity and networking within the private equity market in Croatia and Slovenia, based on interviews and case studies. Therefore, it informs the analysis of key functions that business angels can play in addressing problems faced by new small businesses in an emergent economic and investment environment.*

**Key words:** *formal and informal venture capital, business angels, Croatia, Slovenia. banking crisis*

## **1. INTRODUCTION**

Recently, the supply of start-up and early stage equity finance has become even more acute due to current crisis in the banking sector that has made lending to small

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enterprises less attractive thereby contributing to the finance gap. The primary factors underpinning the banking sector's position on SME lending are the low margins, high overhead costs and risk involved (moral hazard). Some of these issues are well recognised and explained in the literature on the subject. However, the current crisis has amplified these problems further. As for venture capital funds they are finding it increasingly difficult to accommodate the large number of small deals with heavy due diligence requirements. Here the main theoretical framework such as information asymmetry, agency theory, and portfolio concepts are used to explain the functioning of formal venture and informal venture capital industry (Aernoudt et al., 2007). Therefore, in the process of creating a more entrepreneurial culture and encouraging individuals to establish new businesses, start-up companies in most countries are facing the immediate issue of raising capital. This is further compounded by the current global financial crisis.

One of the potential, hence partial solutions to these problems is informal investment markets, where finance is provided by investors known as Business Angels (BAs). Angel investors are crucial in financing entrepreneurs once they have exhausted their own resources. This type of investment is at the juncture of two approaches: equity investing and entrepreneurship (Wiltbank, 2005).

This paper explores some of the issues indicated above, paying particular attention to the worsening financial environment using one candidate and one EU member state of Central and Eastern Europe (Klonowski, 2006) as case studies: Croatia and Slovenia. It is based on a series of interviews with the representatives of Business Angel networks and with Business Angels themselves. Most of the interviews were conducted by using a semi-structured questionnaire as it provided some degree of flexibility which was required as themes and questions varied from interview to interview. The need for flexibility stems from the fact that the interviews were conducted in different organizational contexts in relation to the research topic (Saunders, 2007). Most of the interviews were audio-recorded, and in other cases extensive minutes were taken.

With these ideas in mind, the remainder of the paper proceeds as follows: (1) theoretically defines the meaning of business angels to fill in the traditional equity gap; (2) it identifies the current trends in financial markets and venture capital investment in Croatia and Slovenia; (2) investigates the Business Angels phenomenon examining their networks and highlighting their activities in Croatia; (4) evaluates the development of Business Angels activities in Slovenia; (5) finishes with a comparison of Croatia and Slovenia from which conclusions regarding the functioning of BAs markets are drawn. As far as qualitative methodology is concerned, case study method through six interviews (three on each side) was applied, together with some secondary data compilation. The paper aims to be of an exploratory nature thus, no hypotheses are proposed to be proved.

## 2. EQUITY GAP AND BUSINESS ANGELS

Provision of capital for a large number of start-up firms and some growing enterprises often comes from informal lenders. In most cases, informal financial services

are a part of an extensive network of relationships (friends and relatives). Moreover, supply of this type of capital is often based on personal equity such as savings, home ownership and money borrowed from immediate family and friends (Van Auken & Carter, 1989). Those informal arrangements are invaluable and welfare-improving as without them many businesses would not have been established, but this source of finance has its limitations. Once a company is up and running it may utilize internally-generated funds (before it starts tapping into external sources of finance). Some evidence support the view that that internally-funded investment is subject to less rigorous scrutiny than with external finance (Lamont, 1997) which may prove quite attractive to some entrepreneurs.

In cases where this type of finance is not available or was already exhausted entrepreneurs seek finance from external sources. Here, entrepreneurs could consider a number of options: debt financing, formal venture capital or informal capital markets (namely Business Angels). Debt financing via banks or bonds is not always possible (Mason & Harrison, 1996). In most countries, bank debt far exceeds bonds while in the US bonds are more common (although mainly for large/medium large companies).

When examining a role of venture capital firms (formal investors) it is worth remembering that they tend to concentrate on bigger deals, which means that the transaction costs are much lower (Hellmann & Puri, 2002). This type of investment is rarely available to start-up firms, due to higher transaction costs and the fact that smaller firms represent high investment risk (Luukkonen & Maunula, 2007). Therefore, it is not surprising that it is informal venture capital (often referred to as Business Angels) that has gained significance in the financing of entrepreneurial start-ups (Avdeitchikova, 2008). Although women take over more and more important roles in the entrepreneurship and start-up processes, they are very seldom found among business angels and, their ventures are not often funded by business angels (Becker-Blease & Sohl, 2007).

Recently, the supply of start-up and early stage equity finance has become more acute due to changes in the banking sector which have made lending to small enterprises unattractive for banks. The primary factors underpinning the banking sector's position on SMEs are the low margins, high overhead costs and risk involved; additionally, venture capital funds are often not able to accommodate the large number of small deals with heavy due diligence requirements (Tykvova, 2006). A potential solution to these problems is informal investment markets, where finance is provided by Business Angels. This type of investor and their networks are in different states of development within the old economies of the EU, and the new EU member states (Danson et al., 2006). At the same time there is a great demand for their services as start-up companies in these economies are faced with the immediate issue of raising capital (San José et al., 2005).

### **3. THE CURRENT TRENDS IN FINANCIAL MARKETS IN CROATIA AND SLOVENIA**

In the perspective of the other members of the European Union the equity markets of Slovenia and Croatia are comparatively smaller. Slovenia's economy is being

increasingly affected by the global financial and economic crisis. Slovenia weathered relatively well the first impact of the crisis, thanks to the banks' limited exposure to the U.S. financial system, the low level of households' indebtedness, and the financial stability measures promptly put in place by the authorities. During the past few months, the slide of equity prices has accelerated, spreads on bank and government debt have spiked, wholesale funding markets have dried up, especially at long maturities, and credit growth has decelerated sharply. At the same time, external demand has declined substantially following the sharp slowdown of economic activity in both countries' trading partners (Felton & Reinhart, 2008).

The Slovenian banks have survived the initial stages of the global crisis relatively well. In response to tight international liquidity, banks have partly substituted foreign financing with other sources including ECB funds and government deposits. Banks have also maintained adequate liquid assets to cover their liabilities. The banks' regulatory capital ratio is in line with their European peers. The level of nonperforming loans is still low, while banks are well provisioned owing to prudent regulation. However, loans to the nonfinancial private sector have decelerated sharply on a month-to-month basis and banks' profits have fallen (Lindstrom & Piroška, 2007).

### **3.1. Business Angels' Activities in Croatia**

#### *3.1.1. Business Angels Network*

Croatia network of business angels was established in 2008 as a non-for-profit association of business angels from both Croatia and outside its borders but, with ambitions to invest in innovative Croatian companies. As a partner, also the government participates through the Agency for promotion of exports and foreign investments. Also some other players in the private equity market joined the initiative together with some most successful and prominent Croatian entrepreneurs. Business Angels, who are informal investors, claim to offer both know-how (technical and business skills, knowing and understanding specific industries, business contacts) and also money investments in the range of 25 to 250 thousand Eur. Also syndicated investments are feasible. Crane has set very ambitious goals in the field of support innovative entrepreneurs and daring business angels with main emphasis to entrepreneurial projects having international potential. Among the activities they underpin networking services through different events they organize but, also through a web-based networking and match-making facility. Several trainings, both for entrepreneurs and business angels in the field of "ready for equity" are planned. In March 2010, Crane had 25 business angles as members with several projects down the pipeline. However, there is no information available if there have been any deals closed through the network so far (<http://crane.hr>).

#### *3.1.2. Croatian Business Angels -case studies*

**Case study 1:** Hrvoje (38) is a self-made millionaire who became wealth by selling his IT company through an IPO on Zagreb Stock Exchange. He lives in Zagreb

and is a married man and father of two children. After finishing high school he started working in the Croatian National Theater as a light technician and after five years decided that it is time to move on, so he started a company with three other partners. In 1997 four friends decided to start an IT company and after five years company became the largest Croatian PC producer. In 2005 Hrvoje stepped away from the board and in 2007 he sold his share in the company. Later, he started three new companies, of which an idea for one of them came from an entrepreneur that he met through a business angel's network. One of his investments is in the wood-processing sector and the other two are in IT as a service provider and as a software developer. His largest investment so far amounts for 1 million Eur. When considering his exit strategies, he does not have a single clear strategy. He rather adapts exit strategies from one venture to the other, so he plans to exit from companies in IT sector through direct offering or through an IPO as he did with his previous company. As concerning the wood-processing company he does not plan to exit, yet. His prime investment market is in Zagreb and he does not plan to make any investments outside the capital, unless there is a very promising opportunity which he could not be able to reject. Hrvoje has a very positive experience in doing business with Slovenian firms, but is not very familiar with the situation in Slovenia so, he is a bit restrained about investing in Slovenia, never the less he would do so if the project would be an extraordinary one. Hrvoje became a business angel following the initiative from one of his friends who is also an angel. To him the very idea seemed very interesting and he regards his participation in the network as his contribution to the society. Moreover, he has a clear view that collaboration with firms outside Croatia is the only chance for Croatian firms to prosper; therefore he strongly encourages co-operation between Slovenian and Croatian business angels and investors.

**Case study 2:** Mihovil (39) lives in Zagreb, is married and has a 6 year old child. After finishing his undergraduate studies at the Faculty of Economics and Business in Zagreb he was working for one year for a bank, afterwards a year and half in the brokerage and twelve years as a board member for fund management companies. He has managed close-end investment funds which originated from the privatization and were co-owners of various companies. In turn he has been in the 29 supervisory boards. Therefore, by working for the close-end funds he had an opportunity to learn a lot about various industries and about various entrepreneurial ventures. In the end, he decided to start some ventures by him-self. Today, he is a CEO of a brokerage house and is involved in two investment projects. Mihovil became a business angel last year by joining the network of Croatian business angels. By participating in the network of business angels he has not realized any investments yet. Earlier he has invested in five business ventures with his partners mostly in the real-estate, agriculture and manufacturing industries. Total investment varied from one project to another and mounted from 40,000 to 600,000 Eur of which he would be responsible for 30-50%. Out of Mihovil's five investments, one failed, one was sold to a larger competitor and Mihovil earned 60% return on investment in two years. One business he liquidated and cashed out with the 280% return on investment in three years, while for the other two he is still an owner. Regarding firms in which Mihovil is still involved, for one he considers an exit strategy in the form of cash-out and liquidation or a sale to other business entity, while for the other firm he plans to remain in it as shareholder. He is willing to invest

in the 500 km radius from Zagreb, which implies that he is very interested in investing in Slovenia. Moreover, Even more, Mihovil was working in the past for four years for a company which had mostly Slovenian ownership, so he is very much acquainted with the situation in the country and Slovenian business culture. Also, Mihovil strongly believes that the differences between two neighboring countries in the sense of political and business risk will become less apparent after Croatia becomes a member of the EU.

**Case study 3:** Branko (59) is a happily married man and a father of two children. He lives in Zagreb. After graduating from Faculty of Engineering he was working for 15 years in the IT sector. His first years as an entrepreneur were characterized as very turbulent and difficult. At that time Branko was trying to make his way in the graphic industry by owning a printing laboratory. After selling his share in the company to his partner he started to build up his new venture in the pharmaceutical sector where he primarily was acting as an intermediary between large domestic and foreign pharmaceutical companies and drug stores in Zagreb. Couple of years later Branko's company became a very influential player in the drug supplying business in Croatia and all of his entrepreneurial efforts were rewarded when a venture capital fund acquired his company in 2006. Nowadays Branko acts as a Business angel, but he prefers to be called an investor, by investing in various industries from new high-tech ventures, pharmaceutical sector, construction and tourism. Most of information for his investments came from a network of his business friends and partners, both domestic and foreign, and he does not utilize a business angle network. His current strategy is to make 2 to 3 substantial investments, ranging from half a million and more of Eur and dozens of very small investments with maximum of 100,000 Eur, with the expected rate of return of 25 and more percent within a time horizon of maximum of 10 years. By now he still has not made any exit from his current investments but expects to make one in the construction or pharmaceutical sector in the next year or two. When considering geographical location regarding investment decisions, Branko is currently investing all over Croatia but would not mind investing in the broader region, especially Slovenia, if he would come across with a very lucrative project. He does not consider politics as an important factor regarding his potential investments in Slovenia, since he sees this political turbulence between two neighboring countries primarily as actions by which local politicians are trying to achieve their short term political goals. Moreover, he thinks that politics should be focused in encouraging business activities between people from both countries.

## 3.2. Slovenian situation

### 3.2.1. *Business Angels Networks in Slovenia*

The BAS network "Business Angels of Slovenia" was established in the beginning of 2007. Up until end of 2009 20 people have joined (but among them, there is only one woman). They committed themselves to invest a minimum of 50.000 euro a year each. However, as classical business angels they would also provide companies with their knowledge, experience and social capital. A formal system of evaluating proposal has been established. The four levels of the evaluating process starts with management

board, followed by a professional evaluation, interviews and presentation of the project in front of investors at investor's 'dinners'. The planned investments in high-growth potential companies (mostly start-up and spin-off) in Slovenia will be between 50.000 and 300.000 euro, and expect that the majority of investment projects will be syndicated. The expected investment cycle is between three and five years with an anticipated 30 % yearly rate of return. Although there is some interest from the potential angels to join, the expansion of membership is not expected to go beyond 40 members.

Despite very ambitious reports about the number of potential investments in the pipeline, and optimistic plans about expected number of investments before the end of 2007 (Helinska-Hughes et al., 2007) there is nothing much to add after almost two years of operation. The representatives of the network keep on being very active in exploiting all public relations and promotional opportunities (entrepreneurs' award ceremonies, business plan contests etc.). There have been official announcements of the first two investments made through the BAS network. Both investments were made in the development of internet based applications, one with a focus on tourism and the second on hardware optimisation. This probably again confirms the finding from Vadnjal and Glas (2003) that Slovenians are rather reluctant to accept external (non-family) financing as equity into their businesses. Regarding possibilities to invest abroad, according to the management of the BAS, all options are opened, however they haven't intensively thought this option yet.

The second Business Angels' network was established in April 2008 as an initiative launched by the club of young executives (under 40 years old). This brought together 17 business angels; 9 of them entrepreneurs, with the rest comprising top-ranking managers from medium and large enterprises. They operate as a forum, organizing three to four events per year where three to four business projects are presented to the audience. So far, they haven't succeeded in closing any deals in the terms of cash investments; however, a couple of strategic alliances between business angels and entrepreneurs have been established. It has been noted, that BAs with an entrepreneurial background are more proactive in attempting to close any deals. On the other side, the demand for funding is huge; however, it is clear that there is a serious lack of ambitious and high quality projects coming forward. Similarly, they remain open for possible investment proposals from abroad, however, preferably with local investors in the form of syndicated investments.

### *3.2.2. Slovenian Business Angel case studies*

Because of the modest outcome from the business angels' network activities we were only able to interview three business angels. The interviews revealed more about the personal characteristics of business angels rather than providing data about the investments they have made.

**Case study 1:** Igor (52) can be regarded as a typical self-made man. His parents were blue collar workers in the local factory. He moved to the capital to become a law student with "only a plastic bag" in his hands. He had to work to pay for his living. He



graduated from the law school and got his first job as an apprentice at the court of justice. *"Everything was simply too slow for me,"* Igor says today. After only few months he left the job and started his first business and quickly became a serial entrepreneur starting new businesses and selling them (tourist agency, bookstore, gambling machines). He made his fortune while speculating with privatisation bonds and is now among 20 richest men in Slovenia, having his wealth evaluated at approximately 60 million Euros. His two main businesses are stock exchange brokerage and personal asset management. Apart from these two he is involved in at least ten other businesses (he avoids revealing an exact number) in different industries such as: restaurant, hotel, consulting service (specializing in mergers and acquisitions), real estate development etc. In his main two businesses he is the sole owner while all other businesses look like partnerships (although other partners' names tend to be the same with Igor possibly retaining the leading role). He has also established a charity to fund education for orphaned children. He doesn't like the term "business angel" and prefers to be called an investor. He likes investments connected with real estate and food processing and hospitality. He has already invested in former Yugoslav republics, also in Croatia. He says that people are those who make business, not politicians. He always likes to find time to listen to new business proposals. He prefers syndicated (but not more than 3 or 4 partners) investments. He avoids giving an exact answer to a question about how much he would be ready to invest: *"Money is not a matter if the proposal is good."* He is neither very exact regarding expected returns: *"If the business is good, the returns will come, but don't forget the fun you have!"* He believes that business angels' networks make no sense. Similarly, he is sceptical regarding different types of trade promotions etc.: *"Waste of money and time"*. He gets involved in business proposals mainly through his personal network although he is very family oriented (wife and three primary school sons) and claims he never works after 6 P.M. or during the weekends. He believes that risk is the essential part of business success but *"You have to know all the time how fast you are able to drive."* He is mainly a hands-off type of angel. His harvesting is different: *"There is no big philosophy behind this, everything is for sale for the right price."*

**Case study 2:** Rok One (27) inherited business from his father who had been a successful entrepreneur before he suddenly died in a car accident five or six years ago. Rok took over at the age of 21 and within five years their business (processing equipment) is making five times more revenues and ten times more profits as in the year when his father was still in charge. Meanwhile he managed to graduate with a degree in mechanical engineering. However, he feels that running the family business does not bring him as much fun and satisfaction as it used to. He has already started first negotiations to sell the business facing opposition from members of his family (his sister, mother, grandfather) who think that selling the family jewel would be something inappropriate. However, he already invested some extra profits from the existing business. He co-invested in one real-estate project and in a high-profile restaurant. He is really eager to invest in to some more technology based businesses, *"This is what I, after all, graduated from."* He says he has several project in the pipeline, all very close to the place where he lives. He gets involved in projects and with entrepreneurs mainly through his personal network of friends, colleagues, classmates etc. He says that always liked to meet entrepreneurs with fresh business ideas. He has never thought about investing in



Croatia, but “*Why not?*” he says, “*if the people and the idea is right.*” Even more, he thinks that Croatia is an interesting destination to run business there because “*We speak the language, the culture is similar.*” He would be delighted to invest in some more technology oriented business idea if it was attractive enough and close to a more hands-on type of investment management. On the question of how much he would be ready to invest he says “*I can afford loosing a couple of hundred thousand euros.*” As for the business angels’ networks, he thinks that they are “more for personal affirmation of those who initiate them” and is not interested in joining them any time soon.

**Case study 3:** Rok Two (40) started his business with a partner in flexy-packaging printing industry at the age of 30. Before that he served as a sales manager in different companies, mostly in food processing industry for almost ten years. He left his studies after his first daughter was born and started to study business again when his printing business was well on its way. He sold his business to a bigger company for “*less than 10 but close*” million euro. “*We didn’t plan to sell but their offer was irresistible.*” After one year of staying at home, house-keeping and trying to catch-up his hobbies, he says that he is terribly bored and needs to get involved in some entrepreneurial activity. Although he personally sees many opportunities he says that he doesn’t feel like starting up a business on his own very soon, because “*I remember too well the first year of my entrepreneurial career, when we really had hard times.*” So he has decided to seek some opportunities to become an investor in new companies. He made two minor investments in internet-based companies, both working on more free-time and/or leisure service projects. In both cases, he made the investment with his former business partner. He says that he is hands-off type on an entrepreneur, but in one of the invested companies they say he is really hands-on. He would not mind investing in a syndicate but only with people whom he would personally know very well. Investing outside Slovenia would not be a realistic option for him, as he perceives this as being too risky. He is very much attracted by technology although he admits that he does not possess a very good understanding of it. He smiles instead of an answer to a question about how much he would be ready to invest: “*I told you for how much I sold my company.*” His opinion about business angels’ networks is rather reserved: “*Maybe, some day, but I prefer doing business with a certain level of privacy and not a high level of publicity...*”

Common characteristics of the studies cases can be summarised as follows: (1) they are all men with very different family and experience background; (2) all interviewees were or still are entrepreneurs; (3) the source of wealth is mostly their own entrepreneurial success; (4) they all have made investments or they at least have some deals in the pipeline; (5) they came in touch with companies through their own networking and generally don’t appreciate business angels’ networks very much; (6) they all express a preference for syndicated investments; (7) their geographic proximity is more or less close to their place of living and working, however majority of them would not mind investing cross-border into another country; (8) their industry preferences are not clearly articulated; (9) they tend not to be very clear regarding hands-on or -off type of supervising their investments; and (10) the available sum for investment would not be revealed.

## 4. CONCLUSIONS

Neither Croatia nor Slovenia has experienced the current economic crisis as severely as most other Central and East European countries. This is partly because the banking sectors in these two economies are less exposed to the US and west European financial systems, and the high risk loans that have destabilised many banks. However, there is still a significant degree of interdependence between Croatia and Slovenia, and the rest of Europe since they trade heavily within the Euro-zone; and therefore, the knock-on effects are still serious. The direct implications are in terms of lower growth and demand, but the Croatian and Slovene banks are also adopting a similarly cautious posture towards lending, especially to entrepreneurs, small businesses, and new ventures. This crisis has also resulted in falling real estate values and lower shares prices on the stock exchanges. Both countries have implemented anti-crisis measures such as targeted state-backed loans to small and medium sized businesses with varying degrees of success.

Since the BA networks in Croatia and Slovenia are still relatively young and underdeveloped, this source of capital was unlikely to have a significant impact under current circumstances. However, they are recognised by both governments as potentially significant actors in the venture capital market place. Therefore, there is a concerted effort by governments in both countries to take a more active role in supporting informal sources of venture capital and promoting Business Angel networks. These networks also provide social capital through the range of non-financial benefits including advice and access to networks of investors. However, since this social capital takes a fairly long time to accumulate, the networks are slow to form and develop.

Business Angel networks in Croatia and Slovenia share similar characteristics in terms of investor profile, network operations and fairly localised geographical reach. They also display the basic difference within the Business Angel community, such as those who prefer to work independently and those who participate in syndicated investment projects, and modes of participation – hands-on or off. Despite the networks' relative youth and comparatively small sizes, the state support which they receive indicates that they will play a greater role in the future. For the moment, their lack of critical mass in the venture capital market means that they will only have a minor impact on easing the credit-cramp currently being experienced by entrepreneurs and small businesses.

It is encouraging that despite of small markets, business angel activity started in both market. Analyzing the common characteristics of the presented case studies, one may argue that there are several similarities which may be explained with the similar economic tradition, the monopoly of state ownership which lead to the dismiss of the capitalistic orientation and a slow but sustainable renewal after the declared independency of both countries in 1991. The questioned business angels supported the idea of investing over the border which means that there is an open space for a common market of informal equity which would benefit from its larger size and critical mass of both, business angels as suppliers and prosperous entrepreneurial ventures as demanders. This may also bring a positive sign of the intra-regional cooperation and

consequently an important contribution to the sustainable development of the region and higher level of entrepreneurial activity and dynamism.

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## POSLOVNI ANĐELI U HRVATSKOJ I SLOVENIJI – LETE PREKO GRANICE U POMOĆ PODUZETNICIMA

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### **Sažetak**

*Ekspanzija novih poduzetničkih poduhvata predstavlja ključni aspekt u preobrazbi gospodarstava tranzicijskih zemalja. Pored razvoja nove poduzetničke kulture, raste i uloga novih izvora financiranja poduzetništva (venture capital, equity capital). Među njima se ističe poseban oblik - poslovni anđeli. Unatoč navedenim promjenama, u razvijanju poduzetničkih aktivnosti, pribavljanja kapitala za hrvatska i slovenska poduzeća predstavlja gorući problem. Poslovni anđeli pružaju ključno rješenje navedenog problema. Primarni motivi poslovnih anđela očituje se kroz ulaganje kapitala, kako bi popuniti nastali jaz i tako ostvarili zajedničke ciljeve. U ovom radu izloženi su rezultati komparativne analiza poslovnih anđela u Hrvatskoj i Sloveniji. Provedeno istraživanje temelji se na metodi intervjuja te na metodama analize i usporedbe poslovnih slučajeva. Prikazano je aktualno stanje i aktivnosti poslovnih anđela, kako pojedinačno tako i unutar mreža poslovnih anđela Hrvatske i Slovenije. Rezultati istraživanja ukazuju na ključne aktivnosti koje poslovni anđeli mogu provoditi pri rješavanju problema s kojima se suočavaju start-up poduzeća u tranzicijskim gospodarstvima.*

**Ključne riječi:** *formalini i neformalni rizični kapital, poslovni anđeli, bankarska kriza, Hrvatska, Slovenija*

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