

UNDERSTANDING INDIVIDUAL ENTREPRENEURIAL ORIENTATION: A GENERATIONAL PERSPECTIVE

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ABSTRACT Current research on entrepreneurial orientation is mostly from a firm-level perspective, focuses on developed countries, and recent studies treat entrepreneurial orientation as a uni-dimensional construct. Studies on entrepreneurial orientation from a generational perspective mostly use a comparison between two groups (young and old) and neglect the well-accepted classification of generational cohorts. This study therefore examines the individual dimensions of entrepreneurial orientation (risk-taking, innovativeness and proactivity) among the Baby Boomers, Generations X, Y, and Z in Bosnia and Herzegovina. Data were collected through a cross-sectional survey that yielded a sample of 1,082 adults from Bosnia and Herzegovina. One-way analysis of variance with Brown-Forsythe, Welch's F, and least significant post-hoc tests were used to test the hypotheses. The results show some evidence that individual entrepreneurial orientation varies significantly between generations, at different levels of significance. Risk-taking generally decreases with older generations, as does innovativeness, except when comparing Generations X and Y, while proactiveness increases with older generations. The study provides valuable information for future entrepreneurs, business incubators and potential investors.

KEYWORDS: *Entrepreneurial orientation, Generational cohorts, Bosnia and Herzegovina*

1. INTRODUCTION

Entrepreneurship is a cornerstone of modern business, which is a crucial fuel for economic, social, and technological development (Audretsch et al., 2019), and as well as for the organisations that seek innovative ways to ensure competitiveness and sustainability in the marketplace (Nikitina et al., 2022). In both cases, the prerequisite is an entrepreneurial mindset and

the agents of success are individuals (Aparicio et al., 2016; Koe, 2016). Therefore, increasing human capital is crucial (Stam & van de Ven, 2021), especially in developing countries (Iakovleva et al., 2011). Accordingly, increasing number of higher education institutions are rethinking the way they deliver education (Manning, 2018; Ozoliņš et al., 2018) by focusing on the entrepreneurial ecosystem within the institution and society at large.

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To predict the entrepreneurial propensity of individuals, recent research has used individual entrepreneurial orientation (IEO) as a focal point (Langkamp Bolton & Lane, 2012; Koe, 2016; Santos et al., 2020; Mohammadi, 2021). Nikitina et al. (2022) refer to IEO as a set of competencies required to build and develop an individual entrepreneurial activity. Its importance has been recognised in the literature where studies show a positive relationship with entrepreneurial intentions (Martins & Perez, 2020). Considering that intentions have 30% predictive power of actual behaviour (Ajzen, 1991), IEO is a remarkable determinant in predicting entrepreneurial activity. Moreover, IEO is positively related to individual and organisational performance (Fellnhöfer, 2018; Kyal et al., 2022). As for the determinants of IEO, research is more divergent. For example, Martins and Perez (2020) argue that closer valuation of entrepreneurship and closer stigma of entrepreneurial failure are positively related to IEO, while according to Mutlur and Mardikyan (2018), self-efficacy has a direct effect and perceived educational and structural support have an indirect effect on individuals' entrepreneurial orientation. Moreover, Correa et al. (2021) claim that IEO is influenced by social capital. In particular, Langkamp Bolton and Lane (2012) emphasise that understanding what drives IEO could help various stakeholders, such as governments, businesses, and educators, due to its multidimensional output.

Although the documented literature shows the importance of IEO, there are still some obvious gaps that need to be filled. First of all, research on the interaction of age and IEO is extraordinarily sparse, especially for cohorts such as generations. Most of the existing research divides the sample into young and older respondents (Bohlmann & Zacker, 2020; Rollison et al., 2013; Taboroši et al., 2022), neglecting the widely accepted division into Baby Boomers (1946-1964), Generation X (Gen X, 1965-1979), Generation Y (Gen Y, 1980-1994), and Generation Z (Gen Z, 1995-2012). In general, there is a notable gap in the literature examining entrepreneurship from the perspective of different generations, especially in developing countries. Recently, authors in Bosnia and Herzegovina (B&H) (Aydin et al., 2023) examined generational differences in entrepreneurial and intrapreneurial intentions, laying the groundwork for further research in this area. However, it is important to emphasise that Aydin et al. (2023) adopted a behavioural perspective on entrepreneurship, whereas the present study starts from a framework of personality traits that focuses on IEO dimensions encompassing a range of personal characteristics. Indeed, the concept of IEO is still relatively under-researched, especially from a generational perspective. Moreover, the study of IEO as a

predisposition to entrepreneurial propensity is even more important in the context of developing countries. Bosnia and Herzegovina is characterised by relatively high unemployment, an older labour force and an outflow of young and highly skilled human capital (Knezović & Greda, 2021). Although research on entrepreneurial activities has recently gained traction (Bičo et al., 2022) and authors also consider a generational perspective (Aydin et al., 2023), research on entrepreneurial orientation (EO) is sparse. Authors generally focus on the firm-level EO (e.g. Veselinović et al., 2019; Petković & Sorak, 2019; Palalić & Bušatlić, 2015). Palalić et al. (2016) and Alfirević et al. (2018) are among the few studies that analyse EO at the individual level. However, they focus on specific groups of respondents related to education: students (Palalić et al., 2016) and school principals (Alfirević et al., 2018). Apart from excluding other potential participants, these studies do not focus on the generational perspective in IEO.

Therefore, this study aims to examine the dimensions of IEO in relation to the different generational cohorts (Baby Boomers, Gen X, Gen Y, and Gen Z) in B&H. Apart from adding to the scanty knowledge on IEO and generations, it provides an insight into the unique context of a developing country and practical implications. Indeed, a better understanding of IEO is expected to contribute to future entrepreneurs (Kumar et al., 2021; Langkamp Bolton & Lane, 2012), business incubators, and potential investors (Langkamp Bolton & Lane, 2012). The article comprises five main sections: introduction, literature review and hypotheses development, methods, results, and finally discussion and conclusions.

2. LITERATURE AND HYPOTHESES DEVELOPMENT

2.1. Individual entrepreneurial orientation

As a concept, EO is well represented in entrepreneurial literature in various forms. Entrepreneurial orientation is defined as the set of "processes, practices, and decision-making activities that lead to new entry" (Lumpkin & Dess, 1996, p. 136) in the markets. More specifically, Raposo et al. (2008) defined EO as attributes, attitudes and personality traits that relate to entrepreneurship. Other definitions of EO often encompass the different dimensions. In fact, the beginnings of the concept EO can be traced back to Miller's (1983) study on entrepreneurship (Goktan & Gupta, 2015), which shows that EO includes three factors: innovation, proactiveness, and risk-taking (Miller, 1983). Lumpkin and Dess (1996) suggest that it consists of five factors instead of the original three: autonomy, innovativeness, risk-taking, proactiveness, and competitive aggres-

siveness. Thus, EO is determined by the tendency to be autonomous, to be innovative, to take risks, to be aggressive towards competitors and to be proactive in the market (Lumpkin & Dess, 1996).

However, the authors claim that the dimensions of EO can be studied individually or collectively. Researchers have different views on whether EO is a uni-dimensional or multi-dimensional construct (Mantok et al., 2019). While previous studies on EO mainly used it as a multi-dimensional construct, based on the findings of Langkamp Bolton and Lane (2012) who emphasised that all EO dimensions mostly move in the same direction, more recent studies have started to use EO as a uni-dimensional construct. However, the definition of EO as a uni- or multi-dimensional construct depends largely on the context (Langkamp Bolton & Lane, 2012). Since most previous studies have been conducted on samples from developed economies and the behaviour of EO dimensions has not yet been generalised to developing countries, this study will focus on EO as a multi-dimensional construct.

The authors claim that proactiveness, risk-taking, and innovativeness are the EO dimensions most commonly used in the literature (Langkamp Bolton & Lane, 2012). Although EO has been found to impact various organisational-level outcomes (Langkamp Bolton & Lane, 2012), Goktan and Gupta (2015) argue that the EO construct lacks an individual-level assessment. To provide a useful measure of IEO, Langkamp Bolton and Lane's (2012) scale adaptation and validation reduced the original five-dimensional EO construct to only three dimensions representing IEO: risk-taking (RSK), proactiveness (PRA), and innovativeness (INN). Such a scale enables the assessment of the individual EO, which is carried out in the present study.

2.2. Age and (I)EO

Given the lack of literature on generations in the context of IEO, some insights from the literature on age and IEO might be useful, as age is one of the commonalities shared by members of the same generational cohort. The authors discuss that age plays a dual role in entrepreneurship. While some entrepreneurial traits (e.g. creativity) may decline over time, networking and experience may increase (Taboroši et al., 2022). There is limited research on the role of age in IEO, and while there are some findings, they are mixed and often focus on very limited samples. On the one hand, Doulani et al. (2020) claimed that there is no statistically significant difference in EO (as a uni-dimensional construct) among Iranian librarians as a function of age.

Nevertheless, in their study Taboroši et al. (2022) showed that EO was highest among respondents over 45 years old, while respondents between 18 and

24 years old had the lowest scores EO. On the other hand, research among freelancers in Serbia, B&H, Croatia and Montenegro showed that there is a significant difference in the IEO dimension of INN between young (up to 35 years) and older respondents (over 35 years), with the younger population reporting higher scores INN. There were no significant differences in the PRA and RSK dimensions, although young respondents scored higher on both dimensions (Taboroši et al., 2022).

As for PRA itself, Van Veldhoven and Dorenbosch (2008) have shown that age is positively related to occupational PRA. In another study, age was found to make the difference in PRA for employees regardless of gender. However, whether younger men achieved higher or lower PRA behaviour effectiveness than older men depended on the motivation behind it. Younger women, on the other hand, consistently achieved higher effectiveness of PRA behaviour compared to older women. Among supervisors, age-related differences were only found for some aspects of PRA behaviour effectiveness (Bohlmann & Zacker, 2020).

The results suggest that RSK also differs for different age groups. Financial RSK decreases significantly at older ages, while RSK propensity related to social aspects increases from young to middle age, but decreases at older ages. RSK for recreation, ethics and health also decreases with age. However, it is important to note that there are some gender differences in RSK across the life course (Rolison et al., 2013). In addition, research by Fryt et al. (2022) has shown that positive RSK has an inverted U-shaped relationship with age, peaking in middle adulthood.

Existing evidence suggests that age is also an important factor in INN. For example, the study by Green et al. (1986) showed that younger farmers were more likely to be innovative than older farmers. However, another study showed that age is positively associated with innovation-related behaviour (Ng & Feldman, 2012). Although age is clearly an important determinant of IEO and its dimensions, there is limited research on the interaction of age and IEO. There is also a need for a more specific and comprehensive focus on the three dimensions that make up IEO. In some cases, very restrictive sampling is used, in others the sample is divided into young and older respondents, while the widely accepted division into Baby Boomers (1946-1964), Gen X (1965-1979), Gen Y (1980-1994) and Gen Z (1995-2012) is neglected. Indeed, members of each generation share some characteristics that can have a significant impact on their IEO. Therefore, the simple division into young and old might prevent one from arriving at accurate findings on this topic.

2.3. Generations and (I)EO

Individuals born in a similar time frame tend to share common core values and behaviours that are the result of shared formative experiences they have had (Thangavel et al., 2019). Moreover, members of the same generation share similar values, opinions and attitudes (Cavalli, 2004), all of which have a significant impact on EO (Franceško et al., 2022). Therefore, it is reasonable to assume that EO varies between different generational cohorts. The literature on EO from a generational perspective is sparse. Research is even sparser when considering the more specific generational approach of the IEO. One of the few examples is Wasilczuk and Richert-Kazmierska's (2020) study conducted among Gen Y and Gen Z students. In particular, it showed that a large majority of students were more likely to have PRA, slightly more than half INN, and less than half RSK. However, the study did not include cross-generational comparisons. When examining generational differences in entrepreneurial potential, Ensari (2017) found that RSK tendencies were highest among Baby Boomers, followed by Gen Y and Gen X, and finally Gen Z. However, these differences were not significant. The study also identified Gen Z as the generation with the lowest entrepreneurial potential and attributed this result to their age and early stage of career development.

The researchers examined generational differences at EO more often at the firm level. Vesser and Van Scheers (2021) argue that different generations might have an impact on EO. Several studies have shown that generational factors matter for EO and its dimensions (e.g. Cruz & Nordqvist, 2012; Cherchem, 2017; Mucci et al., 2022). For example, Mucci et al. (2022) suggest that generational level moderates the relationship between socioemotional wealth and the EO, INN and RSK dimensions. Nevertheless, the role of generational differences in IEO and its dimensions remains unknown. To address the shortcomings in the existing literature and based on the above discussion, this study will test the following hypothesis and three sub-hypotheses:

- H1: There are significant differences in IEO among Baby Boomers, Generation X, Generation Y, and Generation Z.*
- h1a: There are significant differences in risk-taking among Baby Boomers, Generation X, Generation Y, and Generation Z.*
- h1b: There are significant differences in innovativeness among Baby Boomers, Generation X, Generation Y, and Generation Z.*
- h1c: There are significant differences in proactiveness among Baby Boomers, Generation X, Generation Y, and Generation Z.*

3. METHODS

3.1. Participants and procedure

The population for this study was an adjusted working age population. According to the OECD (2023), the working age population consists of people aged 15-64. Since the working age population in B&H is at least 18 years old, the lower range was adjusted accordingly. To select participants, we used the snowball sampling by first approaching our key contacts and asking them to participate in the survey, but also forwarding the invitation to contacts in their networks. In the absence of probability sampling, this method allowed us to achieve a larger and more diversified sample and reduce the possibility of sample bias (Vandekerckhof et al., 2019). The reported working-age population in B&H for 2021 is approximately 2.9 million people (CEIC, 2021), which implies a sample size of at least 385 people.

To collect primary data, we designed a cross-sectional survey that included a questionnaire and a cover letter. The cover letter clarified the purpose of the study, the voluntary nature of participation, the possibility to drop out at any time, and the guarantee of anonymity. Each participant had to give consent before filling out the questionnaire. Similarly, participants had to answer all questions to complete their responses. Participants were contacted through various social media, e-mails and private networks. The invitation to participate included a link to Google Forms. Due to the low response rate among Baby Boomers and Gen X, we introduced print versions of the questionnaire and contacted members of these generations directly.

Data was collected in 2021 and 2022. Specifically, 1,082 responses were collected. As age was entered in raw numbers, seven of the participants had errors which were removed. Therefore, the final sample consisted of 1,075 usable responses. Regarding the characteristics of the participants, the average age was 31 years. The sample contained a higher proportion of women (57%) and the average length of work experience was 7.5 years. In terms of education, 40% of participants did not have a university degree, 32% had a bachelor's degree and 28% had a master's or doctorate degree.

3.2. Measurements

IEO was measured using three dimensions adopted from Langkamp Bolton and Lane (2012). RSK was measured using three items, with one example item being "I like to take bold action by venturing into the unknown". Innovativeness was measured using four items, with the sample item being "I prefer to try my

own unique way when learning new things rather than doing it as everyone else does”, while PRA was measured using three items, with the sample item being “I usually act in anticipation of future problems, needs, or changes”. Participants gave their answers on a five-point Likert scale ranging from “strongly disagree” to “strongly agree”.

As for generations, the original data collected was based on age. Then we converted them into four classic generations that are part of the working age population: Baby Boomers (1958-1964), Gen X (1965-1979), Gen Y (1980-1994) and Gen Z (1995-2004).

3.3. Analyses

The process of data analysis consists of two phases: pretesting and hypothesis testing. In the pretesting phase, we checked for reliability, validity, and common method bias. For reliability, we used a Cronbach’s alpha with a threshold of 0.70 (Taber, 2018) and a composite reliability with a threshold of 0.6 (Bagozzi & Yi, 1991). Regarding validity, a confirmatory factor analysis was conducted, leading to two main conclusions. First, for convergent validity, we checked the standardised factor loadings (SFLs) of the individual items and the average variance extracted. Both indicators were based on the threshold of 0.50 (Bagozzi & Yi, 1991). Second, for discriminant validity, we compared the square roots of AVE with the mutual correlation between the variables, where the square roots of AVE should be higher (Fornell & Larcker, 1981). Finally, regarding common method bias, we followed the suggestion of Podsakoff et al. (2003) and conduct-

ed three tests: Harman’s single factor, common latent factor and common marker variable. In each case, the recommended threshold was 50%. For the hypothesis tests, one-way analysis of variance (ANOVA) was used with Brown-Forsythe, Welch’s F and least significant post hoc tests to account for unequal samples. Analyses were conducted by combining SPSS and AMOS software.

4. RESULTS

Before testing H1, we checked the reliability and validity of the IEO dimensions. Table 1 shows the results.

The results show that reliability is not a problem, as both Cronbach’s alpha and the composite reliability are above the usual thresholds. As for convergent and discriminant validity, both the SFLs and AVE are above 0.5, while the values of the square roots of AVE are higher than the mutual correlations between the IEO dimensions. Thus, we can conclude that both types of validity have been achieved.

Since the data were collected at a single point in time, there was a reasonable concern that there might be a bias in the method. Following the suggestion of Podsakoff et al. (2003), three tests were conducted: Harman’s single factor, common latent factor and common marker variable. The common variances were 52%, 49% and 40%, respectively. Considering that the latter two tests are more accurate measures of common method bias, as Harman’s single factor was criticised by Podsakoff et al. (2003) as being outdated, and that the three variables (RSK, INN and PRA) are

TABLE 1. Reliability and validity indicators for IEO dimensions.

Variable	Item	SFL	α	CR	AVE	RSK	INN	PRA
RSK	RSK1	0.825	0.845	0.850	0.654	(0.809)		
	RSK2	0.742						
	RSK3	0.855						
INN	INN1	0.716	0.897	0.900	0.695	0.738*	(0.833)	
	INN2	0.858						
	INN3	0.883						
	INN4	0.867						
PRA	PRA1	0.780	0.857	0.857	0.666	0.587*	0.698*	(0.816)
	PRA2	0.805						
	PRA3	0.861						

NOTE(S): N = 1075. SFL – Standardized factor loading; α - Cronbach’s alpha; CR – Composite reliability; AVE – Average variance extracted. Square roots of AVE values are in parentheses. *p < .001.

TABLE 2. Descriptive statistics, Brown-Forsythe, and Welch’s F tests IEO dimensions based on different generations

DV	Category	N	M	SD	SE	Test	Statistic
RSK	Gen Z	377	3.764	0.881	0.045	Welch	5.428 (0.001)
	Gen Y	510	3.625	1.002	0.044		
	Gen X	139	3.540	0.865	0.073		
	Baby Boomers	49	3.265	0.981	0.140	Brown-Forsythe	5.433 (0.001)
	Total	1075	3.647	0.948	0.029		
INN	Gen Z	377	3.840	0.975	0.050	Welch	0.994 (0.397)
	Gen Y	510	3.784	0.904	0.040		
	Gen X	139	3.790	0.83	0.070		
	Baby Boomers	49	3.617	0.849	0.121	Brown-Forsythe	1.008 (0.389)
	Total	1075	3.797	0.918	0.028		
PRA	Gen Z	377	3.809	0.909	0.047	Welch	3.401 (0.019)
	Gen Y	510	3.892	0.920	0.041		
	Gen X	139	4.038	0.745	0.063		
	Baby Boomers	49	4.048	0.799	0.114	Brown-Forsythe	3.252 (0.022)
	Total	1075	3.889	0.893	0.027		

NOTE(S): M – Mean; SD – Standard deviation; SE – Standard error. Degrees of freedom = 2; Significance values of the statistic are presented in parentheses.

part of an overall construct (IEO), we can conclude that there is no major concern about common method bias.

To test H1 and the corresponding sub-hypotheses, ANOVA was run with Brown-Forsythe and Welch’s F-tests. Table 2 shows the results.

The results from Table 2 show that younger generations tend to have higher RSK and INN, while older generations tend to have higher PRA. However, in the case of RSK and PRA, significant differences are shown between at least two generations, while in the case of INN the differences are not statistically significant. To further test for intergenerational differences in IEO dimensions, a post hoc test for least significant differences was conducted. The results are shown in Table 3.

From Table 3 we can see that there are statistically significant differences in RSK between younger and older generations, except in two cases (Gen Y and Gen X; Gen X and Baby Boomers). In particular, Gen Z has a higher RSK than the other three generations in all cases, while these differences are more inconsistent among the relatively older generations. Thus, there is evidence that partially supports H1a. In addition, the older generations tend to have higher PRA scores. However, the only statistically significant difference between Gen Z and Gen X only partially supports H1b. Finally, we have already concluded from Table 2 that there are no statistically significant differences between generations with

respect to INN. Therefore, there is no news in Table 3 and no evidence for H1c.

5. DISCUSSION AND CONCLUSIONS

Individuals belonging to the same generation are embedded in similar biological and historical times and thus exposed to similar formative experiences that affect their values and behaviours, which can shape their attitudes towards entrepreneurship. The term generation is often used to describe individual attitudes and their role in society, while the IEO dimensions summarise attitudes towards entrepreneurship. The results of the present study show some evidence that individual attitudes towards entrepreneurship (as measured by the IEO dimensions RSK, INN and PRA) vary considerably between the generations that currently make up the labour force: Baby Boomers, Gen X, Gen Y and Gen Z. RSK tendencies generally decrease with older generations, as does INN, except for Gen X compared to Gen Y, while PRA increases with older generations. Although these associations are at different levels of significance, the differences in their directionality justify the use of IEO as a multi-dimensional construct and call for further investigation of dimension-based research on IEO from developing countries.

Table 3. Least significant difference for IEO dimensions based on different generations

DV	Gen. 1	Gen. 2	MD (Gen. 1-2)	SE	Sig.	Lower Bound	Upper Bound
RSK	Gen Z	Gen Y	0.138	0.064	0.031	0.013	0.264
	Gen Z	Gen X	0.224	0.094	0.017	0.041	0.408
	Gen Z	Baby Boomers	0.499	0.143	0.001	0.218	0.780
	Gen Y	Gen X	0.086	0.090	0.341	-0.091	0.263
	Gen Y	Baby Boomers	0.360	0.141	0.011	0.084	0.637
	Gen X	Baby Boomers	0.274	0.157	0.080	-0.033	0.582
INN	Gen Z	Gen Y	0.055	0.062	0.376	-0.067	0.178
	Gen Z	Gen X	0.050	0.091	0.584	-0.129	0.229
	Gen Z	Baby Boomers	0.222	0.139	0.111	-0.051	0.496
	Gen Y	Gen X	-0.005	0.088	0.952	-0.178	0.167
	Gen Y	Baby Boomers	0.167	0.137	0.224	-0.103	0.436
	Gen X	Baby Boomers	0.172	0.153	0.259	-0.127	0.472
PRA	Gen Z	Gen Y	-0.083	0.060	0.170	-0.202	0.036
	Gen Z	Gen X	-0.229	0.088	0.010	-0.403	-0.056
	Gen Z	Baby Boomers	-0.239	0.135	0.078	-0.504	0.027
	Gen Y	Gen X	-0.146	0.085	0.086	-0.313	0.021
	Gen Y	Baby Boomers	-0.155	0.133	0.243	-0.417	0.106
	Gen X	Baby Boomers	-0.009	0.148	0.950	-0.300	0.281

NOTE(S): MD – Mean difference; SE – Standard error; 95% confidence interval.

5.1 Theoretical implications

Risk tolerance increases as one moves from older to younger generations. This directionality of the relationship is consistent with the findings of Taboroši et al. (2022) on age and EO and differs from the findings of Ensari (2017). Different generations are in different risk frames. Younger generations have fewer dependents and less accumulated wealth. They have less to lose than older generations, making them more willing to take risks. However, in contrast to Taboroši et al. (2022) and Ensari (2017), the present study shows significant results with the exception of the difference between Gen Y and Gen X and Gen X and Baby Boomers. Given the current life stage of Gen X, this is not surprising. Most of Gen X is currently in middle adulthood, which has previously been shown (Fryt et al., 2022) to be a breaking point in attitudes towards RSK tendencies.

Contrary to Ng and Feldman's (2012) findings on the relationship between age and EO, and in line with Taboroši et al. (2022), INN is higher among younger generations, with the exception of Gen X, which is more innovative than Gen Y. Nevertheless, none of

these differences are statistically significant. Considering that B&H is a developing country with minimal innovation opportunities, it is not surprising that people do not consider themselves to be very innovative. Moreover, previous studies have focused on specific samples where some level of INN is already present, such as that of Taboroši et al. (2022), who obtained significant results on INN using the sample of freelancers. In contrast, this study uses a more comprehensive sample, regardless of the degree of innovation.

In contrast to other IEO dimensions, PRA is higher among older generations, with Baby Boomers exhibiting the highest level of PRA and Gen Z being the least proactive, which is consistent with the study on age and PRA by Van Veldhoven and Dorenbosch (2008). This result may be explained by the previously demonstrated generational differences in RSK tendencies. Indeed, older generations might use PRA as a risk reduction technique. However, it is important to recognise that generational differences in PRA are largely statistically insignificant, with the exception of significantly higher proactive tendencies among Gen X compared to Generation Z. Proactiveness can

take different forms, and depending on the stage of life, the way one displays PRA can change. Considering that majority of Gen X people are currently in middle adulthood, where many behavioural changes take place, the way they express PRA may change. For example, people at this stage of life have usually gained a lot of work experience that they want to share with others through mentoring.

5.2. Practical implications

8 The findings of this study offer a number of valuable practical implications for various entities, including future entrepreneurs, business incubators and potential investors. Depending on which generation a future entrepreneur belongs to, they may draw different lessons from the results of this study. For example, while a person belonging to Gen Z may be more willing to start a new business due to their higher RSK tendency, taking risks does not guarantee success. They should consider hedging the intended risky behaviour by being proactive and exploring more innovative approaches to business development. In addition, individuals can enhance aspects of their IEO that they are lacking by collaborating with members of other generational cohorts. This brings us to the second point, the impact on business incubators, which can act as facilitators in these improvements. The results can help business incubators guide their efforts and go further in building intergenerational teams. Older generations may be more risk averse, but they have more experience that younger generations can benefit from. This experience can also aid younger generations in their innovative efforts, helping them discover new approaches to traditional practices. In addition, there are different forms of PRA, one of which is mentoring. Since older generations have high levels of PRA, this could be an indication of their willingness to mentor younger generations. Finally, future investors can use the results of this study to learn what each generational cohort lacks on average and focus on which IEO dimension might be most important for a particular business idea. For example, if the investment has to do with research and development, investors should make sure that members of the younger generations (Gen Z, Gen Y, and, in some cases, Gen X) are involved, as they have a relatively higher appetite for risk and innovation. If, on the other hand, the investment is in an established company with known processes and little need or opportunity for innovation, investors should consider the participation of Baby Boomers, who have a lower risk appetite and capacity for innovation, but are more proactive. However, the idea of intergenerational teams also applies here. Therefore, future investors should consider the presence of mul-

iple generations in companies when making investment decisions. Employing such an approach would enable them to maximize the benefits of an IEO.

5.3. Limitations and future studies

Although this study provides some valuable insights, it is important to recognise its limitations, which may also prompt future studies. First, the data for this study was collected using a cross-sectional design and snowball sampling. This does not allow for generalisation of the findings and prevents the attribution of the individual IEO dimensions to generational cohorts as a whole, limiting the conclusions to the role of the age factor only. A longitudinal study would make it possible to follow the generations over a longer period of time and generalise intergenerational differences in attitudes towards entrepreneurship. Secondly, this study was conducted on the example of a developing country, which further limits the generalisability of the findings. Given this and the lack of research on IEO, especially as a multi-dimensional construct in the context of generations, further research from developed and other developing countries would be valuable.

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RAZUMIJEVANJE INDIVIDUALNE PODUZETNIČKE ORIJENTACIJE: GENERACIJSKA PERSPEKTIVA

SAŽETAK Trenutačna istraživanja o poduzetničkoj orijentaciji uglavnom su iz perspektive na razini tvrtke, fokusiraju se na razvijene zemlje, a nedavne studije tretiraju poduzetničku orijentaciju kao jednodimenzionalni konstrukt. Studije o poduzetničkoj orijentaciji iz generacijske perspektive uglavnom koriste usporedbu između dvije grupe (mlađi i stariji) i zanemaruju općeprihvaćenu klasifikaciju generacijskih kohorti. Stoga ova studija ispituje individualne dimenzije poduzetničke orijentacije (preuzimanje rizika, inovativnost i proaktivnost) među Baby Boomer generacijom, Generacijama X, Y i Z u Bosni i Hercegovini. Podaci su prikupljeni putem poprečnog istraživanja, što je rezultiralo uzorkom od 1.082 odrasle osobe iz Bosne i Hercegovine. Za testiranje hipoteza korištene su jednosmjerna analiza varijance s Brown-Forsythe, Welch's F i testovima najmanje značajne post-hoc razlike. Rezultati pokazuju određene dokaze da se individualna poduzetnička orijentacija značajno razlikuje između generacija, na različitim razinama značajnosti. Preuzimanje rizika općenito se smanjuje s starijim generacijama, kao i inovativnost, osim pri usporedbi Generacija X i Y, dok proaktivnost raste kod starijih generacija. Studija pruža vrijedne informacije budućim poduzetnicima, poslovnim inkubatorima i potencijalnim investitorima.

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KLJUČNE RIJEČI: *poduzetnička orijentacija, generacijske kohorte, Bosna i Hercegovina*