International Small Business Growth: A Process Perspective

BRIGA HYNES*

ABSTRACT

Internationalisation is a route for business growth where businesses seek to expand their activities beyond domestic markets. The objective of this research is to examine the process of internationalisation in a sample of Irish SMEs. In particular, topics such as the reasons why owner-managers export, their choice of international market, the market entry strategies adopted and the challenges encountered in internationalisation are the subject of this study.

The survey involved in-depth interviews with a sample of 80 SMEs. The data show that the majority of respondents exported due to a lack of alternative market opportunities in the Irish market, chose the UK market as their first location and adopted a phased approach to internationalisation. The primary challenges experienced by owner-managers related to the establishment of strategic alliances and partnerships to facilitate international firm growth, insufficient market research, lack of customer familiarity and difficulties in balancing the dual management of firm activities in the domestic market and new international markets.

The findings emphasise the need to examine SME internationalisation as a series of interrelated activities that should be embedded as part of the overall growth strategy of the firm as opposed to a separate strategy. Suggestions are put forward for government policy to develop more SME-targeted financial and non-financial supports to develop the export capabilities and competencies of owner-managers and to assist them establish strategic

* *Department of Management and Marketing, Kemmy Business School, University of Limerick*

alliances and partnerships necessary to facilitate international firm growth. To conclude, a number of areas are recommended for further research to progress an under-researched topic in Ireland.

Keywords: SME growth; Internationalisation; Strategy development

INTRODUCTION

Small and medium enterprises (SMEs) constitute 97 per cent of firms in Ireland and account for 54 per cent of private sector employment (Small Business Forum, 2006). SMEs are comprised of three categories of firm: the micro firm (less than 10 employees), the small firm (less than 50 employees) and the medium firm (less than 250 employees). Despite their significance there is a dearth of information describing the pattern of export activity in Irish SMEs (DKM, 2006; Lawless, 2007). This may be attributable to the fact that the majority of international activity is located within foreign direct investment (FDI) firms that, in many instances, use Ireland as an export base (Small Business Forum, 2006; CSO, 2007; Forfás, 2006). Therefore, in order to achieve the focus of government policy (Enterprise Strategy Group, 2004; Forfás, 2006), which recommends that Irish firms become more international, it is necessary to develop the information deficit on how Irish SMEs internationalise. Understanding the pattern of SME export activity and the challenges they encounter in the process is a fundamental foundation on which to develop appropriate policy and for the design of suitable management support and training initiatives for owner-managers who wish to achieve export growth. Thus, a number of issues merit investigation to advance this topic in the Irish context. For instance, why owner-managers embark on international firm growth, the choice of international market, the market entry strategy adopted and the difficulties encountered in achieving successful international firm growth are issues worthy of investigation.

This paper addresses these aforementioned topics by positioning the research in the broader SME growth literature, as internationalisation is a means of achieving SME growth. The research approach incorporated in-depth interviews with 80 owner-managers across four industry sectors in the mid-west region of Ireland.

SME GROWTH

Growth is a multi-faceted phenomenon that is commonly associated with firm survival, achievement of business goals and success, or scaling up activities (Storey, 1994; Kinsella et al., 1994; Delmar and Wiklund, 2003; Wickham, 2004; Dobbs and Hamilton, 2007). Business growth may take different forms (employment, revenue, market share and product development), albeit not necessarily all at the same time. Furthermore, typically in the small firm growth occurs in a local and national context before the owner-manager considers internationalisation of business activities (Pope, 2002; Cremins, 2006). Owner-managers may be exposed to the same challenges in achieving growth, but given the heterogeneity of small firm growth differences occur in how these are managed by the owner-manager (Kinsella et al., 1994; Barkham et al., 1996; Gibb, 2000; Wickham, 2004; Donohoe and Wyer, 2005). Wickham (2004) proposed that the owner-managers' perception of how it would impact on their personal role in the business determined the strategies adopted to pursue firm growth, where one such strategy is internationalisation.

With regard to the challenges faced by the owner-manager in growing the business, the literature broadly classified them into internal and external (Morrison et al., 2008; Niskanen and Niskanen, 2005; Pasanen, 2006). Internal factors relate to the owners' intention and motivation to grow the business and their access to and effective utilisation of resources (Kinsella et al., 1994; Storey, 1994; Barkham et al., 1996; Morrison et al., 2008; Niskanen and Niskanen, 2005; Pasanen, 2006). The external factors include a range of economic, political, societal/demographic, technological and regulatory aspects that are largely outside the control of the owner-manager. It is important that the owner-manager is aware of how these will impact on business growth strategies. The internal factors are within the control of the owner-manager and will therefore greatly determine the type of strategies adopted to avail of the opportunities in the international marketplace. For this reason the internal factors, in particular the reason why owner-managers chose international firm growth, the strategies adopted and the challenges encountered in the achievement of international growth, are of most interest in this study.

SME INTERNATIONALISATION

Internationalisation is a phenomenon researched intensively from a variety of viewpoints with a predominately large-firm focus (Gankema et al., 2000; Ibeh and Young, 2001; Bell et al., 2004; Svante, 2004). In relation to the SME, three approaches of firm internationalisation – the stage approach, the network approach and the born global approach – are frequently discussed in the literature (Oviatt et al., 1995; Johanson and Vahlne, 1977; Coviello and McAuley, 1999; Chetty and Campbell-Hunt, 2003; Jakobsen and De Voss, 2003; Oviatt and McDougall, 2005). Central to the stage approach is the assumption that internationalisation occurs in a gradual manner in markets close to the domestic market and that the primary mode of entry is through exports. As owner-managers build a repository of knowledge regarding international business practices and foreign cultures, languages and political systems, the level of perceived risk is reduced and a greater commitment of resources to internationalisation results (Oviatt and McDougall, 2005). As the firm increases its commitment to internationalisation it extends into markets that are ‘psychically’ more distant and may possess very different cultural, economic and demographic characteristics (Johanson and Vahlne, 1977; Jakobsen and De Voss, 2003). The stage approach offers a number of benefits to the SME as it reduces the initial risk of exporting, allows the owner-manager to retain control of international business activities and requires less initial commitment of resources for international expansion.

The second approach – the network approach – posits that successful internationalisation is dependant on developing networks of business relationships to facilitate the internationalisation process (Johanson and Mattsson, 1993; Havnes, 2003; Lloyd-Reason, 2002). This approach can accommodate the scarce financial and non-financial resources of the SME while facilitating an international market presence. Networks can consist of informal and formal relationships, alliances with other firms at any stage of the value chain of activities (suppliers, customers and intermediaries) and membership of professional organisations. Networks provide benefits in foreign market selection and with marketing activities within international markets, and provide a source of feedback on the suitability of the firm’s chosen export strategy (Bell, 1995; Coviello and McAuley, 1999; Oviatt and McDougall, 2005). While the establishment of networks are important to accommodate the scarce resources in the SME the ongoing management of these relationships is fundamental for sustained effective internationalisation (Bell, 1995; Coviello and McAuley, 1999; Havnes, 2003; Oviatt and McDougall, 2005; Lageth, 2006). The owner-manager needs to be prepared to invest their time, relinquish their total control of activities and decisions, and share recognition with those they network with to develop a sustained international market presence (Dekker and Uslaner, 2001).

The two approaches discussed to date (stage theory and network theory) are based on the assumption that firms become international subsequent to a period of operating in local markets; this is not always the case (Oviatt and McDougall, 1994; Johnson, 2004). These studies suggest that an increasing number of small firms adopt a multicountry or multinational perspective from the company formation stage. The 'born global' or 'global start-up' firm has a global orientation from the onset of its business (Oviatt and McDougall, 1994; Crick and Jones, 2000; Johnson, 2004). A number of authors expanded on the description of the born global and suggested they were part of a broader population of international new ventures, where internationalisation was embedded as part of their overall firm growth strategy (McDougall and Oviatt, 2000; Rasmussen and Servais, 2000; Zahra and George, 2002; Autio et al., 2000; Zucchella, 2002).

The three approaches – the stage, network and born global approaches – provide varying perspectives on how SMEs internationalise their business. The approaches are not mutually exclusive and can occur simultaneously in the SME. Therefore, it is important to examine their potential complementarities to obtain a more integrated perspective of internationalisation in the SME (Bell et al., 1998; Coviello and McAuley, 1999).

While these approaches provide useful perspectives of the general approach to SME internationalisation they lack detail on a number of key decision points the owner-manager encounters in internationalising their business. An essential question relates to why the owner-manager decides to internationalise their business and the subsequent decisions on the location of the international market and the market entry strategy adopted. Combined, these issues form the primary components of the process of SME internationalisation. In executing these stages the owner-manager encounters a number of challenges that can emerge internally or externally.

WHY OWNER-MANAGERS GROW THEIR BUSINESSES INTERNATIONALLY

The factors inducing international firm growth are generally categorised into a dichotomy of positive and negative factors that align with the determinants of general firm growth (Czinkota and Tesar, 1998; Lawless, 2007). Positive reasons are associated with the proactive seeking out of international market opportunities by the owner-manager. Conversely, owner-managers may only consider international market expansion due to a lack of growth opportunities in domestic markets. In this latter instance the owner-manager adopts a passive and risk-adverse approach in the choice of market and the type of market entry strategy adopted (Czinkota and Tesar, 1998; Lawless, 2007). Additionally, a variety of micro and macro environmental factors contribute to a firm's decision to export. These include factors associated with the customer and competitive, social, cultural, economic and technological characteristics of the international business environment, and provide positive or negative determinants for SME internationalisation (Bell, 1995; Tybejee, 1994).

Once the decision to export is made the owner-manager needs to evaluate the suitability of their product or service in its current form for acceptance in new international markets. The level of adaptability required and the availability of financial resources to support the modification of the product or service, and in functional areas such as international marketing, selling, production and distribution, will impact on the feasibility of the export activity. Concurrently, the owner-manager must asses their own commitment to international firm growth and the availability of the necessary knowledge and skills to do so.

THE CHOICE OF INTERNATIONAL MARKET AND THE MARKET ENTRY STRATEGY ADOPTED

The internationalisation of business activities by Irish owner-managers tends to occur in markets close to the domestic market where the primary mode of market entry is through exports as this allows the owner-manager to maintain control of primary decisions

(O'Gorman, 2001; Pope, 2002; Zahra and George, 2002; Lawless, 2007).

The reason why owner-managers grow their businesses internationally is fundamental in shaping the strategies adopted to enter new markets, according to Hollensen (2001). The choice of international strategy is embedded in the broader strategic orientation or vision of the owner-manager and the attainment of a 'strategic fit' between the product/serivce offering of the firm and the demands of a different cultural, social and economic international business landscape (McGee et al., 2005). The achievement of this 'strategic fit' will generally require a degree of structural reconfiguration in the SME. Small firms typically operate with limited resources and have a lower threshold to absorb risks in international markets compared to larger firms. Therefore, the establishment of networks, strategic alliances or partnership arrangements are important means of compensating for a lack of resources in the SME (Fliess and Busquets, 2006; Nummela et al., 2006). This structural change should be supported with the acquisition of knowledge and skills at owner-manager level to effectively manage international relationships and networks. Essentially, the SME is faced with three options: direct exporting, indirect exporting or a combination of the two. Direct exporting involves the owner-manager assuming total control of export activities. This may form the initial strategy for internationalisation but as the number and diversity of locations increase then it becomes more difficult to maintain this level of control by the owner-manager (Hollensen, 2001; Nummela et al., 2006). Indirect exporting involves a third party, typically an agent or a distributor, who will assume responsibility for a number of activities (selling, completion of market research, distribution of the product/service, etc.) and provide support and guidance in legal issues (Pope, 2002; Lawless, 2007). The use of networks, strategic alliances, and franchising and licensing arrangements are additional indirect market entry options for perusal by the owner-manager. To date the brief overview of the approaches to internationalisation were complimented by a discussion on what it is argued are the primary components of the internationalisation process adopted in the SME. Engagement in these stages will result in a number of challenges in achieving international growth. These issues are examined in an exploratory empirical study in addition to identifying the primary challenges encountered in international SME firm growth.

RESEARCH METHODOLOGY

In-depth face-to-face interviews were the primary means of data collection. A total of 80 owner-managers were interviewed in the mid-west region of Ireland in 2002. The interviews were held on site in the firm. The sample of respondents was chosen from a database from Enterprise Ireland. This data set included firms in the micro, small and medium categories that were involved in exporting. The sample reflected the key industry sectors in the region and ones that constituted a large proportion of SMEs that export. Firms were drawn from the manufacturing and service sectors and represented high and low growth industry sectors such as electronics, engineering and manufacturing; food, drinks and agribusiness; information communications technology (ICT); and the general services sector. Additionally, firms included in the survey had to be in existence for at least five years before the start of the study period. The inclusion of a minimum age threshold ensured owner-managers were in a position to discuss the issues associated with growing their firm and would have gone beyond the volatility associated with the start-up of a business. Finally, as the focus of the research was on the owner-manager who owned and managed their own firm, only single plant, indigenously owned firms were included.

It is considered that the 80 firms are representative of the 100 firms initially approached. Information was obtained on the profile of the firm, the characteristics of the owner-manager (age and nature of prior work experience), the factors that influenced their decision to export and the international growth strategies adopted. Respondents were encouraged to describe the challenges they encountered in the implementation of strategies for international firm growth. The analysis of the data reflects the key themes that were investigated in the interviews.

RESPONDENT PROFILE

The surveyed firms represented four industry sectors. The majority (40 per cent) operated in the electronics/engineering industry sector, 27.5 per cent in the food and drinks industry, 20 per cent in the ICT sector and the remaining 12.5 per cent in the general services sector. Family firms represented 40 per cent of respondents. The average age of the firm was fourteen years. The youngest firm was five years in operation.

The firms represented mainly small and micro firms. The majority (65 per cent) of firms were small firms employing between 10 and 49 persons, and 23 per cent were micro firms employing fewer than 10 persons. The remaining 12 per cent of firms employed between 51 and 100 persons.

Factors Influencing the Decision to Export

Respondents were asked to choose from a range of factors that most influenced their decision to grow via international markets (Table 1).

Table 1: Factors Impacting on the Decision to Grow through Internationalisation

Factor	Most Influential Factor
Lack of a viable domestic market	55%
Identification of increased sales opportunities	28%
Excess production capacity	17%
Total	*100%*

The lack of growth opportunities in the Irish market was the primary determinant cited by 55 per cent of owner-managers. This reason was most prevalent for firms operating in the food and drinks and the electronics and engineering sectors.

The identification of market opportunities was the second most important factor, rated by 28 per cent of respondents. Excess production capacity due to reduced demand arising from increased competition from cheaper imported substitute products ranked as the third most influential factor, recorded by 17 per cent of respondents.

The evidence suggests that two of the three factors consisted of reactive reasons, where the decision to export was forced on the firm due to a lack of business opportunities in the domestic market. These findings concur with the literature (Bell, 1995; Czinkota and Tesar, 1998; Lawless, 2007).

Of the 28 per cent of respondents who adopted a positive orientation towards internationalisation, the majority (64 per cent) worked in the ICT industry sector, 58 per cent were younger firms (in operation for less than 10 years), 64 per cent of the firms employed between 11 and 50 persons, and all were non-family firms. From an owner-manager perspective, those who adopted a positive orientation towards internationalisation were under 40 years of age and the majority (54 per cent) had gained prior work experience at managerial level within large multinational firms in marketing and selling functions. This was a primary differentiating factor between owner-managers who exported for positive as opposed to negative reasons. This international business experience provided exposure to and knowledge of how businesses operated in different countries, which proved very relevant when internationalising their own business activities.

Owner-managers in the ICT sector who adopted a positive approach to international firm growth indicated that an international orientation was necessary from the start of the business to obtain economies of scale and to obtain a return on large-scale investment in research and development (R&D) activities. Thus, international growth was a given in their industry sector and was integrated into their initial business plan. These respondents display characteristics of the new international venture or born globals (Oviatt and McDougall, 1994; McDougall and Oviatt, 2000; Zahra and George, 2002; Johnson, 2004).

In contrast, firms that cited a lack of market opportunity in the domestic market as the primary determinant on international firm growth operated primarily in the electronics sector (68 per cent) and in the services sector (56 per cent). These firms were longer in operation (between eleven and fifteen years) relative to firms that were more proactive towards internationalisation. With regard to the characteristics of the owner-manager, the only difference was that the owner-managers did not have prior experience in conducting business in international markets.

The Choice of International Market

The vast majority of respondents (80 per cent) exported into multiple markets, with the UK the most popular first country of destination

(75 per cent of respondents). The choice of market adhered to the concept of 'psychic distance' (Johanson and Vahlne, 1977; Jakobsen and De Voss, 2003; Oviatt and McDougall, 2005): the choice of a market that was close to and similar to national markets. The popularity of the UK market was due to the similarity of business practices in the Irish market, the use of the English language and a belief that it was easier to gain a competitive advantage in the UK market relative to other European markets. Additionally, respondents suggested that the cost of conducting market research and undertaking country visits was more manageable for the UK market. Essentially, the UK market was viewed a good first market to pilot test for future international firm growth.

These findings, when examined in conjunction with the most important factors influencing the decision to seek international expansion, would suggest a level of caution by respondents in their approach to internationalisation and draw attention to the characteristics of the stage approach of internationalisation.

The USA, Germany, France, China and India were viewed as locations with increased growth potential for Irish SMEs. In particular, China and India were deemed to present opportunities for firms in the ICT and services sectors and ones that required further research. Firms operating in the food and drinks industry sector were more reliant on the UK and the US as destinations for their products.

Market Entry Strategies for International Firm Growth

All respondents used indirect market entry strategies. Owner-managers who exported to the UK and US market relied on development agencies such as Bord Bia and Enterprise Ireland to assist them with sourcing agents and distributors in this market. Additionally, in the US market participation at trade fairs and exhibitions was deemed instrumental in the identification of potential customers and an important contact point for the identification and screening of agents and/or distributors. For China and India, respondents indicated the importance of having established contacts prior to entering this market as they provided an accelerated method of market entry. Comments from owner-managers involved in the Chinese and Indian markets strongly emphasised the necessity of visiting the countries and undertaking practical comprehensive research to provide a practical and realistic understanding of the diversity of business practices and customer expectations in the various regions of these countries.

The most common market entry strategy for 70 per cent of SMEs was through agents, and secondly through distributors, across all industry sectors. The use of agents was most prominent for firms operating in the ICT sector and secondly in firms in the electronics and engineering sector. Distributors were most popular for firms operating in the food and drinks sector. Six of the food firms were involved in group or cluster arrangements for market development, whereby a range of different but complimentary products were marketed under a collective brand. This was then sold by one distributor to a range of retail outlets. This was viewed as an effective market entry strategy as it resulted in more efficient use of the owner-managers' time and financial resources.

A number of benefits were associated with the use of agents and distributors. These related to learning how business was conducted in the various markets and recommendations for adaptation of packaging, labelling and branding of products for the host markets. The findings suggest strong evidence of the network approach, (Bell, 1995; Coviello and McAuley, 1999; Havnes, 2003; Oviatt and McDougall, 2005; Lageth, 2006). The level and type of networks varied on a continuum. In the simplest form the SME dealt directly with either an agent or a distributor, extending to a more layered relationship where firms sold to a number of agents, who sold to the retail trade. The more integrated business relationships occurred with the development of strategic alliances and licensing arrangements. These arrangements provided greater access to markets and customers and an entry into key distribution networks, and were the source of financial incentives and tax benefits not available if selling directly from Ireland. This was the case in India. The use of networks was common across all industry sectors, across all firm age cohorts and with the smaller firms (those employing up to 49 persons).

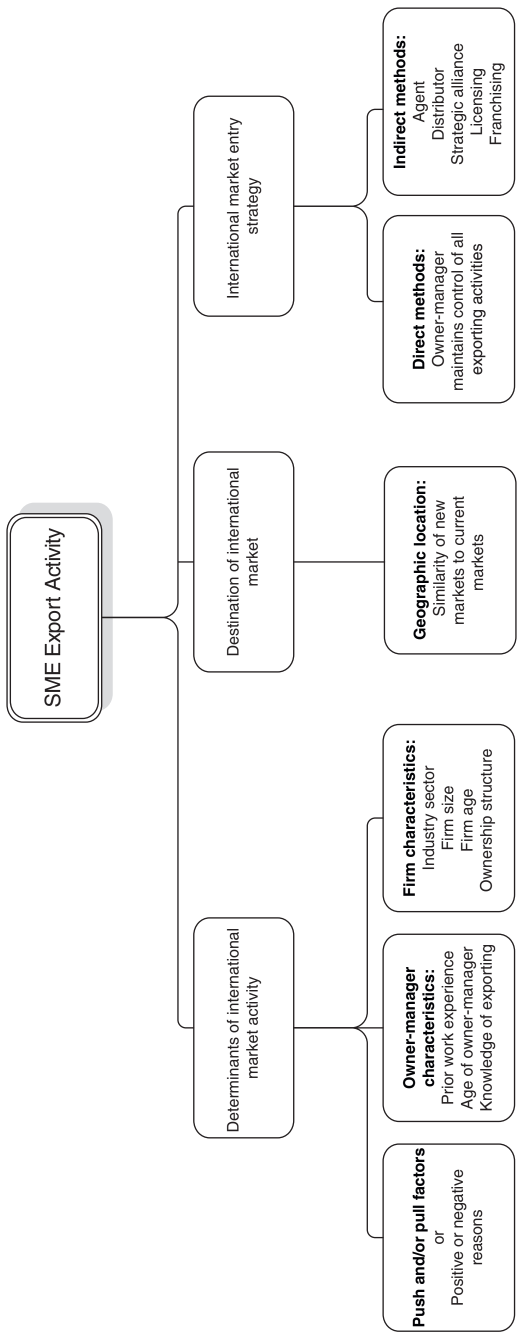
Challenges Encountered in Establishing an International Market Presence

A summary of the most pertinent challenges encountered by owner-managers in internationalising their business are described:

- Adaptation of their product/service to meet new customer expectations – in particular, problems were encountered by firms that were exporting to a few countries that had divergent needs in terms of language, product/service packaging and distribution networks. This was especially the case for China and India.
- Difficulties arose in international strategy implementation – as international market activities increased it required different business practices, which were not accommodated for in their current business strategy.
- Insufficient time and effort allocated to the completion of in-country market research – problems were encountered in promotions and the pricing of products that could have been avoided if market research had been completed.
- Lack of management expertise and experience in securing and negotiating contracts with potential partners and customers in new markets – this was most problematic in China and India. The management of these relationships also caused issues as the owner-manager underestimated the complexities of managing different business practices and legal frameworks.
- Managing time and space differences – problems were experienced by owner-managers in managing and overseeing the extended business activities in international markets while still managing all the business operations in the domestic market.
- Problems in managing the costs of doing business in international markets – specific issues related to currency management, distribution costs and higher than expected marketing and selling expenses.

To sum up, it is contested that an understanding of the reasons why an owner-manager decides to grow their business internationally will have an impact on the subsequent choice of the strategy adopted. The choice of strategy adopted for internationalisation incorporates aspects of the stage, network and born global approaches. The challenges encountered in achieving international firm growth relates to the effective skills and competencies of the owner-manager and how they can establish and manage business relationships in different legal, social and economic contexts. These stages are linked to provide the process perspective of internationalisation as presented in Figure 1.

Figure 1: Process Framework of Internationalisation in the SME



This process will be impacted upon by a range of internal and external factors, which should be accounted for at each decision point. The diagram promotes a number of key antecedents (owner-manager, firm and environmental characteristics) that require consideration in an examination of the process of SME internationalisation.

This will align research on the internal determinants of internationalisation with the general SME growth literature. This tentative framework does not contain an exhaustive list or set of factors, nor does it produce cause and effect or the significance of the factors. The next stage of development is to test the interactions or relationships amongst the variables to ascertain if they significantly impact on SME internationalisation. The introduction of performance measures will provide a more robust integrative insight into the impact of these factors on the outcomes or the financial return on the investment in international firm growth.

CONCLUDING COMMENTS

Building an export-led growth enterprise sector is a policy objective cited in the framework document *Building Ireland's Smart Economy* (Department of the Taoiseach, 2008). This objective needs to be devised with an SME focus separate to the broader population of larger indigenous firms. In order to achieve this, the policy needs to act on two levels. The first is to encourage a greater level of export activity by non-exporting SMEs and to encourage those exporting to expand this activity. In particular, small firms operating in high growth value-added sectors and in the services sector need to be strengthened in this area.

Secondly, the policies also need to create interventions to develop export capabilities and competencies in Irish SMEs. Government supports need to provide owner-managers with assistance in the development of more flexible and adaptable strategies and appropriate sales skills and support structures to deliver export growth. Supports should consider how they can create exposure to and facilitate the building of networks, alliances and business partnerships for SMEs that wish to export.

Participation in international business activities changes the internal context of the firm for the owner-manager. This requires a change in how the business is managed for domestic firm growth, therefore there is a need for a policy to ensure the knowledge, skills and competences required by the owner-manager and their employees are developed through the provision of relevant and targeted training interventions. The provision of soft supports, such as mentoring, allows for the provision of more targeted assistance to firms that are at different stages of the internationalisation process.

Funding should focus on assistance with areas such as market research, product/service modification and the development of marketing practices, which are all problematic areas for the owner-manager.

While this exploratory study has produced some tentative results that provide an insight into the process of internationalisation in the SME, the findings point to a number of topics that need more comprehensive investigation. It would be worthwhile, for example, to study how certain owner-manager characteristics, such as their age, education and prior work experience, are associated with successful small firm internationalisation. Related to these factors it is recommended that research on how the features of the firm (age of the firm, firm structure and industry sector) are associated with the type and level of internationalisation that should be undertaken. The relationship should include a set of measures to determine if they have a significant impact on small firm growth.

REFERENCES

Autio, E., Sapienza, H.J. and Almeida, J.G. (2000) 'Effects of Age at Entry, Knowledge Intensity and Imitability on International Growth', *Academy of Management Journal*, 43, pp. 909–24.

Barkham, R., Gudgin, G., Hart, M. and Hanvey, E. (1996) 'The Determinants of Small Firm Growth: An Interregional Study in the United Kingdom 1986–1990', *Regional Policy and Development Series 12*, London: Jessica Kingsley Publishers.

Bell, J. (1995) 'The Internationalisation of Small Computer Software Firms: A Further Challenge to "Stage" Theories', *European Journal of Marketing*, 29, pp. 60–75.

Bell, J., Crick, D. and Young, S. (1998) 'A Holistic Perspective on Small Firm Growth and Internationalisation', paper presented at the 25th Annual Conference of the Academy of International Business, City University Business School, London, 3–4 April 1998.

Bell, J., Crick, D. and Young, D. (2004) 'Small Firm Internationalization and Business Strategy: An Exploratory Study of "Knowledge-Intensive" and "Traditional" Manufacturing Firms in the UK', *International Small Business Journal*, 22, pp. 23–56.

Chetty, S. and Campbell-Hunt, C. (2003) 'Paths to Internationalisation among Small- to Medium-Sized Firms: A Global Versus Regional Approach', *European Journal of Marketing*, 37, pp. 796–820.

Coviello, N.E. and McAuley, A. (1999) 'Internationalisation and the Smaller Firm: A Review of Contemporary Empirical Research', *Management International Review*, 39, pp. 223–44.

Cremins, N. (2006) 'Why Irish Small Firms Internationalise and the Strategies They Adopt', unpublished MBS thesis, University of Limerick.

Crick, D. and Jones, M.V. (2000) 'Small High-Technology Firms and International High-Technology Markets', *Journal of International Marketing*, 8(2), pp. 63–85.

CSO (Central Statistics Office) (2007) *Small Business in Ireland*, Dublin: Stationery Office.

Czinkota, M. and Tesar, G. (eds.) (1998) *Export Management*, New York, NY: Praeger Publishers.

DeBurca, F. (2006) *International Marketing Strategy: An SME Perspective*, fifth edition, New York, NY: FT Prentice Hall.

Dekker, P. and Uslaner, E.M. (2001) *Social Capital and Participation in Everyday Life*, London: Routledge.

Delmar, F. and Wiklund, J. (2003) 'Growth Motivation and Growth: Untangling Casual Relationships', paper presented at the Academy of Management Conference, Seattle, Washington, 9–14 August 2003.

Department of the Taoiseach (2008) *Building Ireland's Smart Economy: A Framework for Sustainable Economic Renewal*, Dublin: Stationery Office.

DKM (2006) *The Economic Impact of Small Business in Ireland*, Dublin: DKM Economic Consultants Ltd.

Dobbs, M. and Hamilton, R.T. (2007) 'Small Business Growth: Recent Evidence and New Directions', *Journal of Entrepreneurial Behaviour and Research*, 13, pp. 296 –322.

Donohoe, S. and Wyer, P. (2005) 'Towards a Model Examining and Explaining Small Firm Growth in Entrepreneurial Small Businesses', paper presented at the 28th ISBE (Institute for Small Business and Entrepreneurship) National Conference, *Illuminating Entrepreneurship: The Theory and Practice of Enterprise Creation and Development*, Blackpool, 1–3 November 2005.

Enterprise Strategy Group (2004) *Ahead of the Curve: Ireland's Place in the Global Economy*, Dublin: Forfás.

Fliess, B. and Busquets, C. (2006) 'The Role of Trade Barriers in SME Internationalisation', Organisation for Economic Co-operation and Development (OECD) Trade Policy Working Paper No. 45, Paris: OECD Publications.

Forfás (2006) *The Changing Nature of Manufacturing and Services: Irish Trends and International Context*, Dublin: Forfás.

Gibb, A. (2000) 'SME Policy, Academic Research and the Growth of Ignorance, Mythical Concepts, Myths, Assumptions, Rituals and Confusions', *International Small Business Journal*, 18(3), pp. 13–35.

Gankema, H.G.J., Snuif, H.R. and Zwart, P.S. (2000) 'The Internationalization Process of Small and Medium-Sized Enterprises: An Evaluation of Stage Theory', *Journal of Small Business Management*, 38, pp. 15–27.

Havnes, P. (2003) *Dynamics of Small Business Internationalisation: A European Panel Study*, Kristiansand: Agder Research.

Hollensen, S. (2001) *Global Marketing: A Market-Responsive Approach*, second edition, London: Pearson Education.

Ibeh, K.I. and Young, S. (2001) 'Exporting as an Entrepreneurial Act: An Empirical Study of Nigerian Firms', *European Journal of Marketing*, 35, pp. 566–86.

Jakobsen, L. and De Voss, V. (2003) *Observatory of European SMEs 2003, No. 4: Internationalisation of SMEs*, Luxembourg: European Commission.

Johanson, J. and Mattsson, L.G. (1993) 'Internationalization in Industrial Systems: A Network Approach, Strategies in Global Competition', in P.J. Buckley and P.N. Ghauri (eds), *The Internationalization of the Firm: A Reader*, London: Academic Press.

Johanson, J. and Vahlne, J. (1977) 'The Mechanism of Internationalisation', *International Marketing Review*, 7(4), pp. 11–24.

Johnson, J.E. (2004) ‘Factors Influencing the Early Internationalization of High Technology Start-Ups: US and UK Evidence’, *Journal of International Entrepreneurship*, 2, pp. 139–54.

Kinsella, R., Clarke, W., Storey, D., Mulvenna, D. and Coyne, D. (1994) *Fast Growth, Small Firms: An Irish Perspective*, Dublin: Irish Management Institute.

Lageth, H. (2006) ‘The Speed of International Entrepreneurship: A Norwegian Case Study’, unpublished MBS thesis, University of Limerick.

Lawless, M. (2007) ‘Export Activities of Irish-Owned Firms’, *Quarterly Bulletin*, 1, Dublin: Central Bank and Financial Services Authority.

Lloyd-Reason, L. (2002) ‘Strategies for Internationalisation within SMEs: The Key Role of the Owner-Manager’, *Journal of Small Business and Enterprise Development*, 9, pp. 120–9.

McDougall, P.P. and Oviatt, B.M. (2000) ‘International Entrepreneurship: The Intersection of Two Research Paths’, *Academy of Management Journal*, 43, pp. 902–06.

McGee, J., Thomas, H. and Wilson, D. (2005) *Strategy: Analysis and Practice*, London: McGraw-Hill.

Morrison, A., Breen, J. and Ali, S. (2008) ‘Small Business Growth: Intention, Ability and Opportunity’, *Journal of Small Business Management*, 41, pp. 417–25.

Niskanen, M. and Niskanen, J. (2005) ‘The Determinants of Firm Growth in Small and Micro Firms – Evidence on Relationship Lending Effects’, paper presented at the Social Science Research Network Entrepreneurship and Finance Conference, 6–8 March 2005.

Nummela, N., Loane, S. and Bell, J. (2006) ‘Change in SME Internationalisation: An Irish Perspective’, *Journal of Small Business and Enterprise Development*, 13, pp. 562–83.

O’Gorman, C. (2001) ‘The Sustainability of Growth in Small- and Medium-Sized Enterprises’, *International Journal of Entrepreneurial Behaviour and Research*, 7, pp. 60–75.

Oviatt, B.M. and McDougall, P.P. (1994) ‘Toward a Theory of International New Ventures’, *Journal of International Business Studies*, 25, pp. 45–61.

Oviatt, B.M. and McDougall, P.P. (2005) 'Defining International Entrepreneurship and Modelling the Speed of Internationalization', *Entrepreneurship Theory and Practice*, 29, pp. 537–51.

Oviatt, B.M., McDougall, P.P., Simon, M. and Schrader, R.C. (1995) 'Heartware International Corporation: A Medical Equipment Company "Born International", Part A', *Entrepreneurship Theory and Practice*, 18, pp. 111–28.

Pasanen, M. (2006) 'SME Growth Strategies: A Comparison of Young and Long-Lived Firms', paper presented at the International Conference on Business and Information, Academy of Taiwan Information Systems Research, Singapore, 12–14 July 2006, 20 pp (CD-ROM).

Pope, R.A. (2002) 'Why Small Firms Export: Another Look', *Journal of Small Business Management*, 40, pp. 17–26.

Rasmussen, E.S. and Servais, P. (2000) 'Different Types of International New Ventures', paper presented at the Academy of International Business (AIB) Annual Meeting, Phoenix, Arizona, 4–6 November 2000.

Small Business Forum (2006) 'Report of the Small Business Forum: Small Business is Big Business', Dublin: Forfás.

Svante, A. (2004) 'Internationalization in Different Industrial Contexts', *Journal of Business Venturing*, 19, pp. 851–75.

Storey, D.J. (1994) *Understanding the Small Business Sector*, London: Routledge.

Tybejee, T.T. (1994) 'Internationalization of High Tech Firms: Initial vs. Extended Involvement', *Journal of Global Marketing*, 7(4), pp. 59–81.

Wickham, P. (2004) *Strategic Entrepreneurship: A Decision-Making Approach to New Venture Creation and Management*, London: Pitman Publishing.

Zahra, S.A. and George, G. (2002) 'International Entrepreneurship: The Current Status of the Field and Future Research Agenda', in M. Hitt, R. Ireland, M. Camp and D. Sexton (eds), *Strategic Leadership: Creating a New Mindset*, London: Blackwell.

Zucchella, A. (2002) 'Born Globals Versus Gradually Internationalizing Firms: An Analysis Based on the Italian Case', paper presented at the European International Business Academy (EIBA) 28th Annual EIBA Conference, Athens, Greece, 8–10 December 2002.