# The Relevance of Soft Skills for Entrepreneurs*

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## Abstract

This study explores the relevance of different soft skills for entrepreneurs, focusing on entrepreneurs from Portugal and Serbia. The study identifies a total of 38 soft skills from the European Entrepreneurship Skills Framework (EntreComp) and employs a quantitative methodology in the analysis of data collected from a questionnaire completed by entrepreneurs from these two countries. The findings reveal that soft skills competencies play a key role in the entrepreneur's activity, highlighting emotional intelligence, resilience, and persistence as fundamental attributes that an entrepreneur should possess. Furthermore, the respondents' answers have revealed notable differences in their perception of the importance of a majority of soft skills (27 out of 38 skills), which indicates that an entrepreneur's geographic area is a relevant factor in the perception of the relative importance of soft skills.

**Keywords:** Entrepreneurship; Start-ups; Soft skills; EntreComp Framework; Portugal; Serbia
**JEL Codes:** L26; M13; J24

## 1. Introduction

The study described in this research note has been conducted in Serbia and Portugal to understand and categorize different fundamental *soft skills* for entrepreneurs – skills like problem-solving, effective communication, collaboration, self-awareness, and leadership. Although several studies explore the role of soft skills in the labor market (Calanca et al., 2019; Deming, 2017), these studies do not explicitly address their role for entrepreneurs but highlight their importance in the corporate environment and their impact on increasing team productivity. Therefore, exploring the relevance of soft skills is an emerging theme in the context of entrepreneurship and start-up creation. Nevertheless, recent studies conducted by Sadq (2019) highlight their importance in start-up establishment processes, and Holmberg-Wright & Hribar (2016) emphasize their role in the growth phases of a new business. Furthermore, this study has explored the impact of the experience as an entrepreneur and the sectors of activity on the perceived relative importance of these skills. This information is relevant for entrepreneurs to perceive the relative relevance of each soft skill in the activities they typically perform throughout the creation and development phases of a start-up.

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The study has adopted the Entrepreneurship Competence Framework (EntreComp) provided by the European Commission (EC) as a theoretical basis for the study, to understand the competencies that an entrepreneur needs to have in the 21st century (EC, 2016). The work has used a quantitative approach, in which a questionnaire-based survey has been conducted with 153 entrepreneurs from Portugal and Serbia to explore the relevance of different soft skills for entrepreneurs. The choice of these two countries enables a perception of two different realities, one of them framed within the European Union and the other outside of the EU. According to Porter's typology of economic development phases (Porter et al., 2000), Portugal is an innovation-oriented economy, and Serbia is an efficiency-oriented economy. This information is complemented by the European Commission's Innovation scoreboard, which considers Portugal as a moderate innovator and Serbia as a modest innovator. Despite this, Portugal is the EU leader in the field of innovative Small and Medium-Sized Enterprises (SME), which demonstrates the high innovation capacity of its start-ups (Cortes, 2020). Obviously, there are notable cultural, social, demographic (ethnic), and economic differences between the two countries. Hence this study has been conducted with the objective of identifying commonalities and differences between these two contexts regarding the relevance of different soft skills for entrepreneurs.

## 2. Background

Competencies are the ability to do things well, or important skills needed to do a job. They enable a person to achieve a certain level of performance in solving different problems. However, according to Robescu & Iancu (2016), these elements should not be confused with the outcome or performance itself, which may vary depending, among other factors, on motivation. Competencies exist when they are demonstrated, when the individual is able to make use of their skills and abilities in a professional activity.

Kuratko (2013) presents a framework in which the required competencies of an entrepreneur can be classified into three fundamental areas: (i) technical, (ii) management, and (iii) personal characteristics. Technical skills involve knowing how to write, capture information, be organized, work as a team. Management skills include the those required in the creation and management of the company (e.g., marketing, administration, finance, production, etc.). Finally, personal skills involve the ability to take risks, be innovative, persistent, proactive, and tactful. This framework is not unique; other complementing models have emerged that essentially deepen each of these dimensions. For example, the systematization work carried out by Mitchelmore & Rowley (2010) on entrepreneurial competencies states that there is no single model, but it can

be concluded that the most current models result from a deepening of the sub-dimensions incorporated in the three initial dimensions.

In recent years, the Entrepreneurship Competence Framework (EntreComp) proposed by the European Commission has emerged, in which entrepreneurship is described as a transversal competence. The EntreComp consists of three competence areas (i.e., into action, resources, and ideas & opportunities) that are relevant for personal development, (re)entering the job market, and starting up ventures (Bacigalupo et al., 2016).

Looking at entrepreneurs' skills in isolation is incomplete without considering the cultural context in which the entrepreneurial activity occurs. Lounsbury et al. (2019) state that entrepreneurial culture represents the essence of entrepreneurship. Its manifestation can occur in several ways, namely through the entrepreneurial profile, entrepreneurial management, creativity, or collective entrepreneurship. Combining these manifestations makes it possible to build an entrepreneurial culture (Danish et al., 2019). Consequently, it is the culture that assumes an essential role in making individuals in a population more or less likely to identify new business opportunities and to develop an organizational structure to take advantage of the opportunities identified. This situation demonstrates that the characteristics and trends of entrepreneurship vary when analyzing this phenomenon in locations with distinct cultures.

Irrespective of the entrepreneurial skills assessment model, the strong role that *soft skills* play in entrepreneurial activity is unequivocally evident. To this end, these abilities emerge as fundamental in the initial process of setting up a start-up and in the growth and daily management phases of a start-up (Holmberg-Wright & Hribar, 2016).

Soft skills include transversal, behavioral and social competencies of an individual, which are associated with his/her mental and emotional abilities. According to Devedzic et al. (2018), soft skills are more difficult to measure and teach than hard skills and are often related to people's innate abilities. Soft skills are related to the frameworks in the aforementioned subsection referred to as personal competencies (partially as management competencies); hard skills roughly correspond to technical competencies (and, to an extent, management competencies).

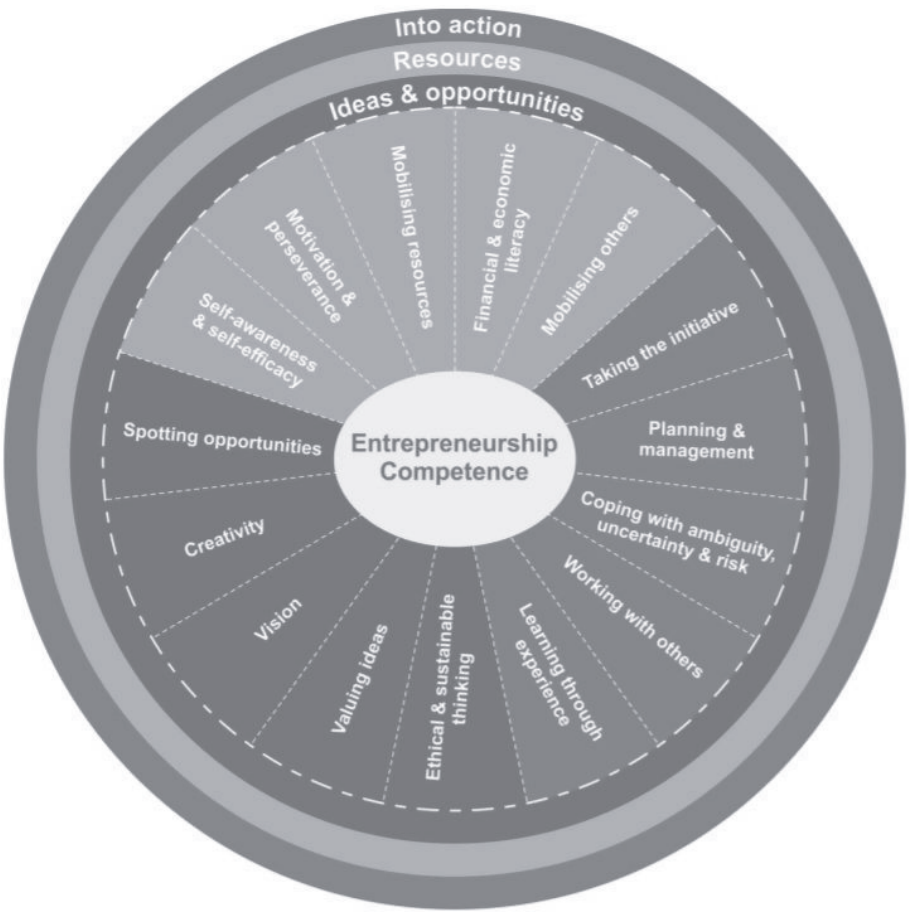
In practice, both types of skills are essential. In this regard, Binsaeed et al. (2017) assert that in the labor market the best worker will be the one who can gather the widest range of soft and hard skills. Additionally, Murti (2014) emphasizes that there are differences in soft skills competencies among different individuals, and this situation is more visible in technical areas that require a high degree of specialization.

## 3. Methodology

### *3.1 Research Design*

An online questionnaire has been developed for entrepreneurs and distributed among entrepreneurs in the two countries (i.e., Portugal and Serbia), and the data has been collected from the entrepreneurs' responses. In designing the survey, the EntreComp developed by the European Commission (EC, 2016) as depicted in Figure has been used as a theoretical foundation and the basis. This framework is the result of the work of Bacigalupo et al. (2016), in which mixed methodologies were adopted to frame the competencies that a European citizen must attain to foster his/her entrepreneurial capacity.

**Figure 1. EntreComp framework (EC, 2016)**



At first, all 15 sub-dimensions established in the EntreComp framework have been considered in designing the questionnaire. However, it was necessary to analyze the scope of each sub-dimension, namely whether it refers to soft or hard skills. This review process resulted in the identification of a total of 9 sub-dimensions that are related exclusively to soft skills; these 9 skills have been mapped in the survey. This approach enables comparative studies of the relative importance of softs skills considering different contexts as geographical regions. Therefore, to understand whether there are significant differences in the importance given to each soft skill, the following hypothesis was defined:

*H1: There are significant differences in the perception of the importance of soft skills between Portugal and Serbia*

The survey also includes four control variables, respectively: (i) country of origin; (ii) gender; (iii) years of entrepreneurial experience; and (iv) industry. This approach allows us to explore the impact of dimensions such as gender, experience, and industry. Therefore, it became possible to explore the impact of control variables in the perception of the importance of soft skills in entrepreneurs in Portugal and Serbia. To this end, the following hypothesis was established:

*H2: There are some common discriminating elements in the perception of the importance of soft skills among entrepreneurs, regardless of the cultural background they come from (Portugal or Serbia)*

### *3.2 Data*

The survey was available to the participants for four months, between November 2019 and February 2020. Eighteen science parks were contacted to help disseminate this survey to the installed companies. A total of 737 companies are part of these science parks, and the participation request from one of the founders of each of these companies was requested. As a result, 153 responses were received, which represents a response rate of 20.76 %. However, 38 responses were considered invalid as they contained more than 50 % of unfilled items. Accordingly, a total of 115 valid answers have been considered in this study, as detailed in Table 1.

**Table 1. Sample characteristics**

| Variable | Absolute requency | Relative frequency |
|---|---|---|
| *Where do you live?* | | |
| Portugal | 67 | 0.5826 |
| Serbia | 48 | 0.4174 |

| Variable | Absolute requency | Relative frequency |
|---|---|---|
| *What is your gender?* | | |
| Male | 78 | 0.6783 |
| Female | 37 | 0.3217 |
| Other | 0 | 0 |
| I'd rather not say | 0 | 0 |
| *How many years of entrepreneurial experience do you have?* | | |
| Less than one year | 17 | 0.1478 |
| Between 1 and 5 years | 35 | 0.3043 |
| Between 5 and 10 years | 28 | 0.2435 |
| More than 10 years | 35 | 0.3043 |
| *In which industries?* | | |
| Accommodation and food service activities | 21 | 0.1826 |
| Education | 25 | 0.2174 |
| Financial and insurance activities | 10 | 0.0870 |
| Information and communication | 25 | 0.2174 |
| Manufacturing | 14 | 0.1217 |
| Other service activities | 20 | 0.1739 |

The Cronbach's Coefficient Alpha (CCA) was adopted to measure and evaluate the reliability of the sets of items for each dimension of the questionnaire. The CCA is between 0 and 1, and Cho and Kim (2014) consider that the CCA value should be greater than 0.7 to ensure item homogeneity. Table 2 analyzes the CCA for the nine questionnaire constructs. For all constructs, the CCA is greater than 0.7; the lowest value being obtained for the "S9" construct with a CCA value of 0.761.

**Table 2. Reliability analysis of the constructs**

| Construct | Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No. of Items |
|---|---|---|---|
| S1. Spotting opportunities | 0.848 | 0.852 | 4 |
| S2. Creativity | 0.906 | 0.906 | 5 |
| S3. Vision | 0.829 | 0.847 | 3 |
| S4. Self-awareness | 0.845 | 0.859 | 4 |
| S5. Motivation and perseverance | 0.889 | 0.894 | 5 |
| S6. Mobilizing others | 0.822 | 0.816 | 3 |
| S7. Taking the initiative | 0.879 | 0.891 | 5 |
| S8. Working with others | 0.884 | 0.890 | 6 |
| S9. Learning through experience | 0.761 | 0.751 | 3 |

## 4. Results

Table 3 presents the data statistically. Three variables have a mean above 4.5: (i) develop emotional intelligence; (ii) be resilient; and (iii) do not give up. These three variables also have a median equal to 5. On the other hand, three variables have an average below 3: (i) reflect; (ii) imagine the future; and (iii) work independently. Nevertheless, in all dimensions, there is a median of responses at least equal to 3. Most of the soft skills mode is equal to 4. The largest dispersion of responses appears in the "work independently" variable, followed by the "inspire and get inspired" and "persuade" variables. The "learning through experience" dimension is the one with the lowest average. A t-test for equality of means was performed adopting a significance level of 5 % ($\alpha = 0.05$) and it was assumed that the variances between the two groups are different. The findings indicate that 27 tested variables show significant differences. Accordingly, the hypothesis can be accepted, and it is possible to conclude that there are significant differences in the perception of the importance of soft skills between Portugal and Serbia.

**Table 3. Descriptive analysis and test of the difference between countries**

| Variable | Mean | Median | Mode | Std. dev. | Differences between countries | |
|---|---|---|---|---|---|---|
| | | | | | Mean | t-test (2-tailed) |
| *S1. Spotting opportunities* | | | | | | |
| I1. Identify, create and seize opportunities | 3.553 | 4 | 4 | 0.8318 | 0.3788 | 0.023 |
| I2. Identify needs and challenges | 3.575 | 4 | 4 | 0.8324 | 0.3481 | 0.037 |
| I3. Uncover needs | 3.436 | 4 | 4 | 0.9338 | 0.5524 | 0.003 |
| I4. Analyze the context | 4.052 | 4 | 4 | 0.8968 | 0.4826 | 0.004 |
| *S2. Creativity* | | | | | | |
| I5. Be curious and open | 3.619 | 4 | 4 | 1.0464 | 1.1181 | $<1e^{-3}$ |
| I6. Develop ideas | 3.865 | 4 | 4 | 0.9581 | 1.2171 | $<1e^{-3}$ |
| I7. Define problems | 3.955 | 4 | 4 | 0.9240 | 0.1797 | 0.333 |
| I8. Design value | 4.133 | 4 | 4 | 0.8184 | 0.4119 | 0.011 |
| I9. Be innovative | 3.887 | 4 | 5 | 1.0067 | 1.2721 | $<1e^{-3}$ |
| *S3. Vision* | | | | | | |
| I10. Imagine the future | 2.870 | 3 | 3 | 1.0389 | 0.8489 | $<1e^{-3}$ |
| I11. Think strategically | 4.391 | 5 | 5 | 0.7574 | 0.6716 | $<1e^{-3}$ |
| I12. Guide action | 4.174 | 4 | 5 | 0.9106 | 0.5488 | 0.003 |

| Variable | Mean | Median | Mode | Std. dev. | Differences between countries | |
|---|---|---|---|---|---|---|
| | | | | | Mean | t-test (2-tailed) |
| *S4. Self-awareness* | | | | | | |
| I13. Follow your aspirations | 3.209 | 3 | 3 | 0.9197 | 0.6209 | $<1e^{-3}$ |
| I14. Identify your strengths and weaknesses | 4.043 | 4 | 4 | 0.8099 | 0.2534 | 0.121 |
| I15. Believe in your ability | 4.278 | 4 | 4 | 0.7200 | 0.1915 | 0.196 |
| I16. Shape your future | 3.330 | 3 | 3 | 1.0900 | 1.3896 | $<1e^{-3}$ |
| *S5. Motivation and perseverance* | | | | | | |
| I17. Stay driven | 4.043 | 4 | 4 | 0.7880 | 0.1104 | 0.493 |
| I18. Be determined | 4.393 | 5 | 5 | 0.8094 | 0.3229 | 0.050 |
| I19. Focus on what keeps you motivated | 3.991 | 4 | 4 | 0.8735 | 0.7360 | $<1e^{-3}$ |
| I20. Be resilient | 4.539 | 5 | 5 | 0.6791 | 0.1474 | 0.294 |
| I21. Don't give up | 4.522 | 5 | 5 | 0.6799 | 0.1415 | 0.314 |
| *S6. Mobilizing others* | | | | | | |
| I22. Inspire and get inspired | 3.147 | 3 | 4 | 1.1533 | 1.3621 | $<1e^{-3}$ |
| I23. Persuade | 3.470 | 4 | 4 | 1.1495 | 1.6284 | $<1e^{-3}$ |
| I24. Communicate effectively | 4.365 | 5 | 5 | 0.8307 | 0.5196 | 0.002 |
| *S7. Taking the initiative* | | | | | | |
| I25. Take responsibility | 4.330 | 4 | 4 | 0.7692 | 0.0050 | 0.975 |
| I26. Work independently | 2.900 | 3 | 4 | 1.2775 | 1.5607 | $<1e^{-3}$ |
| I27. Take action | 4.073 | 4 | 5 | 0.9690 | 0.7623 | $<1e^{-3}$ |
| I28. Be flexible and adapt to changes | 4.265 | 4 | 4 | 0.7679 | 0.5654 | $<1e^{-3}$ |
| I29. Cope with uncertainty and ambiguity | 4.243 | 4 | 5 | 0.8644 | 0.7264 | $<1e^{-3}$ |
| *S8. Working with others* | | | | | | |
| I30. Accept diversity (people's differences) | 3.670 | 4 | 3 | 0.9708 | 1.1135 | $<1e^{-3}$ |
| I31. Develop emotional intelligence | 4.658 | 5 | 5 | 0.6891 | 0.1057 | 0.462 |
| I32. Listen actively | 4.277 | 4 | 4 | 0.7735 | 0.0541 | 0.740 |
| I33. Team up | 3.553 | 4 | 4 | 0.9032 | 0.3611 | 0.050 |
| I34. Work together | 3.743 | 4 | 4 | 0.8740 | 0.4104 | 0.024 |
| I35. Expand your network | 3.107 | 3 | 4 | 1.0600 | 1.1449 | $<1e^{-3}$ |

| Variable | Mean | Median | Mode | Std. dev. | Differences between countries | |
|---|---|---|---|---|---|---|
| | | | | | Mean | t-test (2-tailed) |
| *S9. Learning through experience* | | | | | | |
| I36. Reflect | 2.830 | 3 | 3 | 0.9669 | 1.1280 | $<1e^{-3}$ |
| I37. Learn to learn | 3.116 | 3 | 3 | 1.0112 | 0.9717 | $<1e^{-3}$ |
| I38. Learn from experience | 3.788 | 4 | 4 | 0.8068 | 0.3692 | 0.022 |

Finally, Tables 4 and 5 explore the role of the other three control variables considering the two countries. Only those variables where there were significant differences between countries have been analyzed. Two different methods were employed: Analysis of variance (ANOVA) and Welch's test for unequal variances. It can be realized that in both Portugal and Serbia there are significant differences in several dimensions. The type of industry of the entrepreneur is clearly the dimension where there are more fluctuations in the responses, followed by the experience as an entrepreneur; gender appears to be the least important discriminating factor. Therefore, hypothesis H2 can be accepted and it can be assumed that industry is a more discriminant factor both in Portugal and Serbia.

**Table 4. Exploring the impact of control variables in Portugal**

| Variable | Gender | | Experience | | Industry | |
|---|---|---|---|---|---|---|
| | ANOVA | Welch | ANOVA | Welch | ANOVA | Welch |
| *S1. Spotting opportunities* | | | | | | |
| I1. Identify, create, and seize opportunities | 0.682 | 0.698 | 0.138 | 0.218 | 0.006 | 0.029 |
| I2. Identify needs and challenges | 0.534 | 0.592 | 0.095 | 0.167 | 0.004 | 0.024 |
| I3. Uncover needs | 0.189 | 01.97 | 0.009 | $<1e^{-3}$ | 0.238 | 0.250 |
| I4. Analyze the context | 0.902 | 0.905 | 0.524 | 0.238 | 0.022 | 0.038 |
| *S2. Creativity* | | | | | | |
| I5. Be curious and open | 0.574 | 0.556 | 0.005 | 0.005 | $<1e^{-3}$ | $<1e^{-3}$ |
| I6. Develop ideas | 0.286 | 0.294 | 0.002 | 0.016 | $<1e^{-3}$ | $<1e^{-3}$ |
| I8. Design value | 0.729 | 0.722 | 0.055 | 0.092 | 0.086 | 0.101 |
| I9. Be innovative | 0.503 | 0.481 | 0.070 | 0.090 | 0.201 | 0.421 |
| *S3. Vision* | | | | | | |
| I10. Imagine the future | $<1e^{-3}$ | $<1e^{-3}$ | 0.031 | 0.064 | $<1e^{-3}$ | $<1e^{-3}$ |
| I11. Think strategically | 0.949 | 0.950 | 0.126 | 0.160 | 0.010 | 0.049 |
| I12. Guide action | 0.020 | 0.009 | 0.084 | 0.044 | 0.162 | 0.234 |

| Variable | Gender | | Experience | | Industry | |
|---|---|---|---|---|---|---|
| | ANOVA | Welch | ANOVA | Welch | ANOVA | Welch |
| *S4. Self-awareness* | | | | | | |
| I13. Follow your aspirations | 0.143 | 0.173 | 0.045 | 0.055 | 0.003 | 0.014 |
| I16. Shape your future | 0.205 | 0.245 | 0.925 | 0.822 | $<1e^{-3}$ | 0.004 |
| *S5. Motivation and perseverance* | | | | | | |
| I19. Focus on what keeps you motivated | 0.253 | 0.264 | 0.010 | 0.005 | 0.018 | 0.005 |
| *S6. Mobilizing others* | | | | | | |
| I22. Inspire and get inspired | 0.536 | 0.555 | 0.009 | 0.075 | 0.001 | 0.001 |
| I23. Persuade | 0.006 | 0.011 | 0.448 | 0.511 | 0.008 | 0.005 |
| I24. Communicate effectively | 0.091 | 0.095 | 0.758 | 0.694 | 0.165 | 0.173 |
| *S7. Taking the initiative* | | | | | | |
| I26. Work independently | 0.002 | 0.008 | $<1e^{-3}$ | $<1e^{-3}$ | $<1e^{-3}$ | $<1e^{-3}$ |
| I27. Take action | 0.014 | 0.022 | 0.005 | 0.010 | 0.002 | 0.001 |
| I28. Be flexible and adapt to changes | 0.526 | 0.577 | 0.097 | 0.109 | $<1e^{-3}$ | $<1e^{-3}$ |
| I29. Cope with uncertainty and ambiguity | 0.045 | 0.050 | 0.002 | 0.004 | $<1e^{-3}$ | $<1e^{-3}$ |
| *S8. Working with others* | | | | | | |
| I30. Accept diversity (people's differences) | 0.666 | 0.678 | 0.086 | 0.058 | 0.001 | 0.005 |
| I34. Work together | 0.143 | 0.130 | 0.456 | 0.501 | $<1e^{-3}$ | $<1e^{-3}$ |
| I35. Expand your network | 0.465 | 0.448 | 0.193 | 0.089 | 0.045 | 0.033 |
| *S9. Learning through experience* | | | | | | |
| I36. Reflect | 0.599 | 0.617 | 0.564 | 0.386 | 0.412 | 0.379 |
| I37. Learn to learn | 0.264 | 0.276 | 0.251 | 0.150 | $<1e^{-3}$ | 0.003 |
| I38. Learn from experience | 0.009 | 0.012 | 0.098 | 0.054 | 0.078 | 0.082 |

**Table 5. Exploring the impact of control variables in Serbia**

| Variable | Gender | | Experience | | Industry | |
|---|---|---|---|---|---|---|
| | ANOVA | Welch | ANOVA | Welch | ANOVA | Welch |
| *S1. Spotting opportunities* | | | | | | |
| I1. Identify, create and seize opportunities | 0.271 | 0.323 | 0.027 | 0.043 | $<1e^{-3}$ | $<1e^{-3}$ |
| I2. Identify needs and challenges | 0.051 | 0.073 | 0.068 | 0.142 | 0.003 | 0.033 |
| I3. Uncover needs | 0.411 | 0.419 | 0.001 | 0.001 | 0.001 | 0.007 |
| I4. Analyze the context | 0.224 | 0.407 | 0.167 | 0.102 | 0.024 | 0.002 |
| *S2. Creativity* | | | | | | |
| I5. Be curious and open | 0.014 | 0.019 | 0.054 | 0.097 | 0.006 | 0.012 |
| I6. Develop ideas | 0.001 | 0.008 | 0.565 | 0.709 | $<1e^{-3}$ | $<1e^{-3}$ |
| I8. Design value | $<1e^{-3}$ | 0.001 | 0.462 | 0.177 | 0.005 | 0.013 |
| I9. Be innovative | 0.002 | 0.011 | 0.143 | 0.288 | 0.004 | $<1e^{-3}$ |
| *S3. Vision* | | | | | | |
| I10. Imagine the future | 0.002 | 0.008 | 0.893 | 0.825 | 0.002 | 0.005 |
| I11. Think strategically | 0.001 | 0.011 | 0.069 | 0.101 | 0.002 | $<1e^{-3}$ |
| I12. Guide action | $<1e^{-3}$ | 0.008 | 0.403 | 0.424 | 0.050 | 0.018 |
| *S4. Self-awareness* | | | | | | |
| I13. Follow your aspirations | 0.250 | 0.286 | 0.069 | 0.107 | 0.008 | 0.002 |
| I16. Shape your future | 0.001 | $<1e^{-3}$ | 0.395 | 0.377 | 0.001 | $<1e^{-3}$ |
| *S5. Motivation and perseverance* | | | | | | |
| I19. Focus on what keeps you motivated | 0.080 | 0.111 | 0.142 | 0.191 | 0.891 | 0.720 |
| *S6. Mobilizing others* | | | | | | |
| I22. Inspire and get inspired | 0.011 | $<1e^{-3}$ | 0.428 | 0.435 | 0.003 | 0.005 |
| I23. Persuade | 0.005 | 0.001 | 0.080 | 0.090 | 0.003 | $<1e^{-3}$ |
| I24. Communicate effectively | 0.118 | 0.229 | 0.002 | 0.030 | 0.786 | 0.845 |
| *S7. Taking the initiative* | | | | | | |
| I26. Work independently | 0.010 | 0.076 | 0.112 | 0.294 | 0.005 | 0.078 |
| I27. Take action | 0.008 | 0.094 | 0.197 | 0.429 | 0.003 | $<1e^{-3}$ |
| I28. Be flexible and adapt to changes | 0.041 | 0.166 | 0.008 | 0.193 | 0.009 | $<1e^{-3}$ |
| I29. Cope with uncertainty and ambiguity | 0.041 | 0.178 | 0.007 | 0.016 | 0.035 | 0.097 |

| Variable | Gender | | Experience | | Industry | |
|---|---|---|---|---|---|---|
| | ANOVA | Welch | ANOVA | Welch | ANOVA | Welch |
| *S8. Working with others* | | | | | | |
| I30. Accept diversity (people's differences) | 0.059 | 0.082 | 0.029 | 0.064 | 0.009 | 0.003 |
| I34. Work together | 0.171 | 0.252 | 0.230 | 0.362 | 0.157 | 0.337 |
| I35. Expand your network | 0.175 | 0.120 | 0.186 | 0.048 | 0.002 | 0.002 |
| *S9. Learning through experience* | | | | | | |
| I36. Reflect | 0.360 | 0.352 | 0.456 | 0.454 | $<1e^{-3}$ | 0.004 |
| I37. Learn to learn | 0.861 | 0.842 | 0.287 | 0.344 | 0.002 | 0.010 |
| I38. Learn from experience | 0.498 | 0.625 | 0.514 | 0.648 | 0.073 | 0.021 |

## 5. Discussion

Tangible skills (e.g. academic qualifications, sector experience, intellectual capacity, etc.) are often the only skills assessed for an entrepreneur's potential. These elements are important, but they exclude all the emotional and psychological aspects involved in the act of entrepreneurship. Soft skills are fundamental elements for an entrepreneur as it is advocated by Holmberg-Wright & Hribar (2016). Soft skills are determinant in a start-up's initial design phase and throughout its growth process. In this study, emotional intelligence emerged as the most relevant soft skill for entrepreneurs. Goleman (2005) states that emotional intelligence is the ability to identify and manage our feelings to achieve our best performance and inspire the same in the people with whom we interact. Knowing how to recognize emotions within oneself, and understand how they behave both in ourselves and others, can assist the entrepreneur to better manage life's adversities, like dealing with the unforeseen events that happen in a company's daily routine. This ability is fundamental for an entrepreneur, which is why studies like Leffler (2019) and Almeida (2020) have appeared, in which they seek to develop emotional intelligence capabilities in young entrepreneurs through flipped classrooms and serious games.

Resilience is also another fundamental characteristic that an entrepreneur must possess. Resilience is the individual's ability to respond more consistently to challenges and difficulties, reacting with flexibility with the ability to overcome challenges and adverse circumstances (Bhamra et al., 2011). Entrepreneurship is a challenging path that generates frustration along the way. However, not giving up along this path is fundamental for all the effort made to be rewarded in the future.

The findings of this study have revealed significant differences in the degree of importance given by entrepreneurs from Portugal and Serbia. Significant differences appear in 27 out of the 38 variables, representing more than 70 % of the soft skills characteristics under study. To this end, the entrepreneur's context, even in the case of doing business on a global scale, is a factor that changes behavioral dynamics. Entrepreneurs in Portugal tend to value teamwork capacity and the creation of synergies with other individuals. Salavisa et al. (2019) highlight the role that social networks can play in the growth of business in Portugal, and this situation can be an element that enhances the importance given to the expansion of contact networks. Furthermore, the European Union is also another factor that encourages Portuguese entrepreneurs to look at business on a European scale. Veld (2019) highlights that the European single market is a powerful mechanism for both economic and social integration based on four fundamental pillars: free movement of persons, goods, services, and capital. On the other hand, in Serbia, greater relevance is given to self-employment and the ability of the entrepreneur to adapt to market changes. Reasons can be sought in the facts that Serbia is a developing country, is not a member of the EU yet (it is still negotiating its membership with EU authorities), and its entrepreneurs need to do their businesses in largely different contexts when they do it locally, with EU countries, and with other countries. Furthermore, the study developed by Uvalic (2012) states that a decrease in the unemployment rate has not accompanied GDP growth. The labor market taxation model has increased the rigidity of the labor market and has contributed to the existence of a much more flexible and uncertain informal market.

Finally, the sector of activity of the entrepreneur is a more discriminating factor in the importance given to soft skills than gender or years of experience. In these two countries, there have been significant differences in the importance given to various variables (e.g., expand your network, accept diversity, work independently, analyze the context, among others). Businesses with a higher internationalization component and where there is a high dependence on other partners (e.g., information and communication technologies (ICT) or manufacturing) are those where the expansion of the network and context analysis exhibit higher importance. According to Kurt & Yamin (2016), social networks have contributed to this phenomenon by attracting new international clients and facilitating communication with clients. In this sense, soft skills are decisive in businesses with a strong internationalization component that require constant interaction with customers.

Finally, individual work appears to be highly relevant in the activity of an entrepreneur in education. This behavior can be explained by a considerable shift in the sector of education toward online teaching and learning. In many countries nowadays, experts in different areas are hired to give online classes and tuition, and entrepreneurs are aware of this phenomenon. Therefore, the

starting of new businesses in this area by highly qualified professionals may be a cause for the greater importance of this factor in both countries.

## 6. Conclusions

This research note has become extrapilated from a survey of entrepreneurs in Portugal and Serbia which soft skills of entrepreneurs receive attention in these countries. On average, all soft skills appear to be relevant, with special emphasis on emotional intelligence, resilience, and not giving up. These three variables have emerged as being particularly relevant for entrepreneurs regardless of the country of origin. Furthermore, the geographical and cultural context of an entrepreneur emerge as a determining factor in assessing the importance given to specific soft skills. Furthermore, the sector of activity of the entrepreneur, both in Portugal and in Serbia, is a relevant factor in the relative importance given to each specific soft skill (soft skill variable), overlapping the gender dimensions and years of experience of the entrepreneur.

This study offers mainly practical implications by helping universities and polytechnic institutions identify public policies pertinent to developing the most relevant skills of entrepreneurs and young graduates. Likewise, it is also relevant for developing an entrepreneurial attitude and for entrepreneurs to be successful throughout the management process of a venture. Last, but not least, this study can spring similar studies in other countries (contexts), leading eventually to a better understanding of the role of specific soft skills for entrepreneurs in different countries and cultural contexts.

Some limitations should be mentioned. The small sample size considered does not fully allow exploring the impact of the control variables established in this study. The objective of this work was to be an exploratory study on a phenomenon still unexplored in the literature. Furthermore, it is important to explore in-depth the reasons that allow perceiving the distinct perception of the importance of soft skills in various sectors of activity. As future work, it is intended to involve new researchers in this study and conduct a more complete study for other European countries, regardless of whether or not they belong to the European Union. It is also pertinent to define and monitor the establishment of public policies in the education field that will enable the development of soft skills in current and future entrepreneurs.

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