Chinese Panel Study of Entrepreneurial Dynamics (CPSED)

Measuring Business Creation

Overview

- Uses the general PSED approach
  - RDD sampling of Chinese households
  - Phone interviews at 12 months intervals
  - Three rounds of pre-testing
  - Three waves planned; the first wave in process
- But has its differences
  - Sampling in 8 representative cities instead of the whole country
  - Partly harmonized with PSED II and CAUSEE
  - Selected other items (contextualized issues; theory-driven issues etc.)
- Funded by National Natural Science Foundation of China (CNSFC)
- Data collection outsourced to MillwardBrown ACSR, a joint survey company in China

Some issues in PSED I Approach

PSED I issues

- More like a general social-economic survey
- Unclear level of analysis
- Focus on the description of entrepreneurial process
- Less contextualization
- Exploration of too many aspects of entrepreneurship

CPSED response

- The in-detail investigations of entrepreneurship
- Venture level
- Focus on how the outcomes comes from
- Contextualized issues
- Focus on fewer, theory-driven issues

Sampling Framework

Sampling mechanism

- 8 cities were selected as sampling area (4 cities in East China; 1city in Northwest China; 2 city in West China and 1 city in Central China)
- Totally 600 samples are planned in the 8 cities
- Proportional sampling based on the adult population in each city

According to GEM:

The social-economic characteristics of the sampling cities

City	Popu.	GDP	Per GDP	Agr.	Manu.	Service	Export
Beijing	1.15%	3.14%	37058	0.5%	2.23%	5.92%	3.47%
Xi'an	0.54%	0.51%	27387	0.25%	1.28%	1.18%	0.34%
Tianjin	0.79%	2.15%	31550	0.49%	2.16%	2.93%	3.52%
Hangzhou	0.5%	1.84%	35113	0.67%	1.84%	2.4%	2.56%
Guangzhou	0.57%	3.02%	56271	0.56%	2.51%	5.03%	3.62%
Wuhan	0.61%	1.43%	24889	0.5%	1.25%	2.19%	0.33%
Chengdu	0.82%	1.6%	20626	0.81%	1.41%	2.3%	0.32%
Shenyang	0.52%	0.88%	15116	0.49%	2.15%	1.86%	0.31%
Total	5.50%	14.47%	-----	4.27%	14.83%	23.81%	14.47%

Source: National Bureau of Statistics: China Statistical Yearbooks in 2004

Sampling Framework

City	Adult	Samples
Beijing	1058	112
Xi'an	528	56
Hangzhou	514	55
Tianjin	772	82
Guangzhou	770	82
Chengdu	838	89
Shenyang	548	58
Wuhan	622	66
Total	5650	600

Source: National Bureau of Statistics

The first waves in process

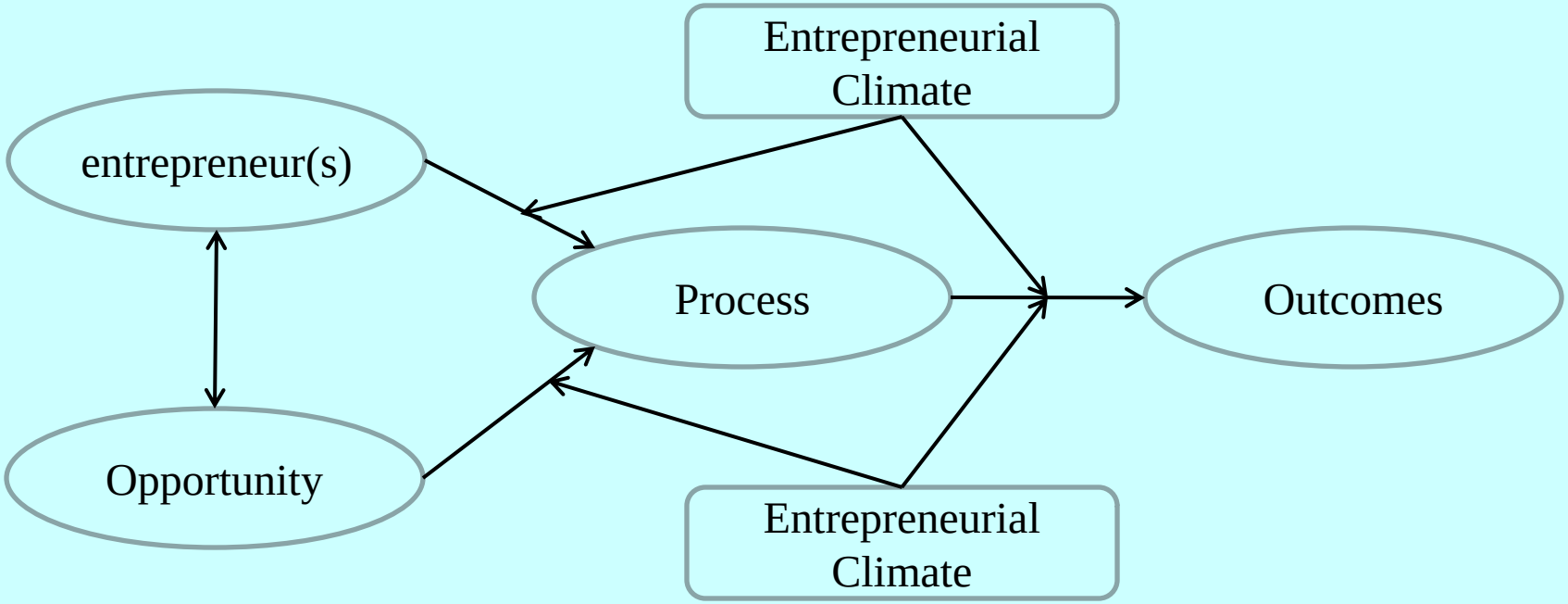
Random Sample

Size of initial Screening	36954
Number of completing initial interview	10858 (29.38%)
Number of nascent entrepreneur identified	478 (4.4%)
Number of NEs will join the interview	392 (3.61%)
Number of NEs completing 1 wave interview	308 (2.84%)
Number of dials in 1 wave interview, average	1.44 times
Length of 1 wave interview, average	46.48 minutes

NOTES: (1) All counts are un-weighted.
(2) Excludes pretest interviews.

Main contents I

Concept and Relationships



Main contents II

Questionnaire Sections

- Clarifying the business (High-tech or not, individual or team etc.)
- Entrepreneur (s)
  - Networks
  - Previous experience (Beckman: Affiliation etc.)
  - Entrepreneurial efficacy
  - Demographic characteristics
- Opportunity
  - The innovativeness of opportunity (Samuelsson 2004; Smith 2009 JSBM)
  - Systematic search or luck (Kirzner; Fiet)
  - The source of opportunity (create something new or imitate incumbents)

Main contents II

Questionnaire Sections

- Process
  - Gestation activities (PSED I, II, and CAUSEE)
  - Entry strategy
  - Source of advice and support
  - Informal investment (Kevin Au)
  - Effectuation (Sarasvathy 2001 AMR)
- Entrepreneurial Climate and munificence of environment
- Outcomes
  - The status of entrepreneurial endeavor (General PSED)
  - Entrepreneurial Orientation
  - Growth aspiration
  - Initial Performance

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