Cultural Values and Entrepreneurship Development

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Abstract: **This opinion paper examined the relationship between cultural values and entrepreneurship development. However, the specific objectives included to examine the relationship between power distance and entrepreneurship development; uncertainty avoidance and entrepreneurship development; individualism and entrepreneurship development; masculinity and entrepreneurship development as well as the relationship between and long - term orientation and entrepreneurship development. In other to achieve this objective, the paper employed survey of literature and qualitative content analysis. The findings of the study showed that there is a relationship between cultural values dimensions of power distance, individualism, uncertainty avoidance, masculinity, long-term orientation and entrepreneurship development. The paper concludes that the general tendencies of a society may either foster or discourage skills development programs, self employment, new venture creation and support for existing businesses. Based on the findings, the study recommended that, in cases where certain values of a society are perceived to be discouraging entrepreneurial activities, a mix of approaches that will furnish the people with new information, experiences and skills can be inteoduced to change the mindset of the people towards achievement motivation and new venture creation.**

Keywords: **Cultural values, Entrepreneurship and Entrepreneurship development**

I. INTRODUCTION

The global economic recession of the 80s had negative impact on business organizations and government institutions, especially those that relied on foreign inputs. The harsh realty, at the time led to increase in the level of unemployment in most countries including Nigeria. According to Udeh (1990), the impact on Nigeria was significant because the country depended mainly on crude oil for her foreign exchange earnings. To address the emergent challenge therefore, concerned individuals, organizations and governments had to look in the direction of entrepreneurship as a tool to promote new venture creation, job creation and economic development. Similarly, Enemuo {2011) posited that the Federal Government of Nigeria further responded with the Structural Adjustment Programme in 1986, and followed with some Entrepreneurship Development initiatives in 1987 to enhance the development of small scale industries so as to enhance the growth of Gross National Product, and reduce crimes in the society.

Understandably, the essence of entrepreneurship is the creation of new business ventures, which involves provision of goods and services, but the profit motive, according to Ottih (2016), is also known to be a major influence on new business venture creation. In their own studies, Schumpeter (1959) and Kerzner (1979) added the desire to take risk; the spirit of adventure, culture, quest for autonomy, perceived higher relative payoff, desire to create new products and knowledge of profitable business opportunities as factors that drive people into starting and running their own businesses. In every society, people tend to manifest broad tendencies resulting in the preference of certain behaviours over and above others. They are also bonded together by cultural values in the form of cherished principles and ideals (Reddy, 2014). In his studies, Weber (1976) had argued that protestant ethics encouraged a culture of individualism, achievement motivation, rationality, legitimizing of entrepreneurial vocations, and self-reliance. He also claimed that this ethic was a fundamental element of the spirit of modern capitalism.

Recent studies, according to Urban (2007) have also shown that entrepreneurship exists in every society and that this spirit can be fostered with an appropriate framework. It is also believed that entrepreneurs across several cultures share a set of values, and some entrepreneurial beliefs that are independent of their culture. However, Davidsson and Wiklund (1997) were of the opinion that the prevailing values and beliefs in a society, among other factors, may have positive or negative influence on entrepreneurship development programmes, self employment, new venture formation and support for existing businesses. Entrepreneurs all over the world play very important roles, including acting as catalysts of economic development.

That is the reason why, the entrepreneurial history of a society is important, especially against the background that human capacity to learn by observation enables aspiring entrepreneurs to learn from successful entrepreneurs instead of learning by trial and error (Bandura,1997). It therefore follows that, entrepreneurship leads to more entrepreneurship and the degree of entrepreneurial activities tends to reflect the amount of support from social and legal institutions in an environment. While some societies are indifferent to entrepreneurship because of fear of the unknown, Chakraborty (2019) argued that the perception of entrepreneurial risk is partly influenced by family background, as children from entrepreneurial backgrounds are more likely to be better informed about such activities. On the other hand, parents with low tolerance for risk would most likely influence their children to be averse to risk taking. And because children tend to follow in the footsteps of their parents, a society with less entrepreneurship today is likely to remain so in the future. However, factors such as social influence and occupational

choice are capable of inspiring some individuals to chat a new path for themselves - different from the traditional.

Just as things do not just happen but are made to happen, information obtained from https:// jcboseust.ac. indicated that actions of men are driven by motives. In other words, entrepreneurial development is a product of such motives like profit-making and achievement of social objectives. Where these motives are strong, courageous and talented men would go after identified business opportunity. However, the strength of these motives may depend on the culture of the society (Enemuo (2011); Weber (1976) & Menzies (2015). If the culture is favorable to hard work, savings, investment and wealth accumulation as a way of life, entrepreneurship would be celebrated. On the other hand, a society that is indifferent to achievement motivation, hard work and wealth accumulation would witness poor response of its people towards entrepreneurial activities.

It was the opinion of Asenge (2017) and Weber (1976) that cultural values direct individuals' selective attention and response to developments in the environment, and they serve as criteria for evaluating and interpreting motivational tendencies. In some cultures, people are highly motivated to be unique, whereas in others, people prefer to be like everyone else. That is why Liles (1974) argued in Oshagbmei (1983) that certain experiences and conditions rather than personality influenced individuals entrepreneurial decisions. In his studies, Hofstede (1980) found four cultural values that are related to entrepreneurship development. They include power distance, individualism, uncertainty avoidance and masculinity. He later added long – term orientation.

In this paper, entrepreneurship development is defined as a deliberate activity that is aimed at identifying, unlocking and developing the entrepreneurial and managerial skills of prospective and existing entrepreneurs in order to enhance their capacities to provide value, and also make profits in the process, as stated by Okenwa (2015) in Wokocha and Nwaduwa (2018). It is however operationally defined using the variables of skills development, development programmes, self employment, new venture creation and support for existing businesses. This definition finds support in the works of Ogundele et al. (2012); Enemuo ((2011); Wokocha and Nwaduwa (2018); and Timmons and Spinelli (1994).

The aim of this paper was to examine the relationship between cultural values and entrepreneurship development, while the specific objectives included to examine the relationships between power distance and entrepreneurship development; individualism and entrepreneurship development; uncertainty avoidance and entrepreneurship development; masculinity and entrepreneurship development as well as long- term orientation and entrepreneurship development.

II. LITERATURE REVIEW

Cultural Values

Culture, according to Davidsson and Wiklund (1997); Menzies (2015); and House et al; 2002) has been defined as shared motives, values, beliefs, identities and interpretations of events that result from common experiences among members of a community and are transmitted from generation to generation. According to them, it also includes traditional ideas, values and pattern of behaviour associated with a people, including the predominant occupation and manner of communication using symbols. These characteristics are the factors that distinguish one society from another. In their own studies, Mueller and Thomas, 2001; Reynolds et al; 2002; Gurel et al; 2010) reasoned that entrepreneurial behaviour of an individual is influenced by his social and cultural context, and that this development explains why some cultures encourage more entrepreneurship than others. Triandis (2001) however argues that culture can be objective and subjective.

While the objective culture represents visible cultural attributes or variables as symbols, language, behaviour, practice, customs and norms; subjective culture refers to cultural traits like tradition, beliefs, priorities, assumptions, values and attitudes which influence the visible objective culture (Schwartz, 1992). In his own studies, Ajekwe (2016) identified some cultural factors that could have positive or negative impact on entrepreneurship development. They include family background, formal education, religion, consequence of history, ideological practices, prevalence of entrepreneurial culture, dominant culture attitudes, values and beliefs in a place at one particular point in time, as well as preference for providing for the community instead of business investment.

Cultural values point at what is considered important to a people. It also affects perceptions and the way people respond to objects and ideas (Uban, 2007). Worthy of note is the understanding that values of a people are supported by assumptions of their world. Values are beliefs or ideas that people believe and hold to be true, resulting in certain pattern of thinking and doing things. (Triandis, 2001). In the same vein, Schwartz and Bardi (2003) referred to values as the guiding principles that influence people's decision making. They are standards that determine actions and attitudes of people towards objects and ideas, and also motivate behaviour that are similar to them. In their opinion, values are both realistic and idealistic in nature. As ideals, values ought to inspire people to behave in a certain manner. It can motivate people to dream, and also take steps to realize them even in the midst of ambiguities (Akpor-Rabaro, 2012). According to him, conservative cultures limit the desire for change and entrepreneurial initiative. This is because, according to him, such cultures condition individuals towards avoidance of uncertainty in line with the traditions subscribed by relations and friends as well as institutions. Hofstede, 1980) listed the dimensions of cultural values to include, among

others, power distance, uncertainty avoidance, masculinity, individualism and long – term orientation.

Entrepreneurship Development

Scholars at different times have given different definitions of entrepreneurship. According to Onuoha (2016), the word entrepreneur is derived from a 17th century French word, Interpredre, meaning to undertake the risk of a new enterprise. Ottih (2016) defines an entrepreneur as one who creates, organizes and takes the risk of founding and running a business. He further explains that entrepreneurs are usually found undertaking profit making activities. Wokocha and Nwaduwa (2018); Ottih (2016) listed the following characteristics as being associated with entrepreneurs and they include hard work, setting of personal goals, profit orientation, strong desire for excellence, achievement motivation, opportunism and willingness to accept responsibility.

Entrepreneurship, according to Hisrich and Peters (2002) refers to the process of creating something new, assuming the risk involved and reaping financial rewards, social prestige or the achievement of some social goal. In his own contribution, Onuoha (2016) defined entrepreneurship the mobilization of resources required for the execution of business ideas; plan for the project, take responsibility for performance and translation of dreams into reality, even as Utomi (1998) posited that entrepreneurship is the persistent pursuit of opportunity to create wealth through innovative creation of a product or service that meets a need of customers, using scarce resources in a way that results in a growth enterprise which satisfies the expectation of stakeholders whose roles sustain the business.

Entrepreneurship development comprises of activities that lead to the setting up of new ventures or expanding of existing businesses. It also includes the process of enhancing entrepreneurial skills and knowledge through structured training and programmes that enhance individual and institutional capabilities to provide value in the form of goods and services at a profit (Asenge, 2017). In other words, the basic objective of entrepreneurship development is to enlarge the capacity of entrepreneurs and also increase the number and level of participation in entrepreneurial activities. The expected outcomes of entrepreneurship development include proliferation of new business ventures, employment generation, wealth creation and economic development.

Information obtained from www.toppr.com, defined entrepreneurship development as the process of helping entrepreneurs develop their skills through training and application of that training. It also involves inculcating and improving those characteristics generally associated with entrepreneurial behaviors, and targets the enhancement of the capacity of the entrepreneur to develop, manage and organize a business venture, taking into consideration the associated risks. Besides, Nwokocha and Nwaduwa (2018) posited that entrepreneurship development is about providing opportunities for people to learn and grow in the personal attributes generally associated with entrepreneurship, particularly leadership, creativity, self-reliance and self confidence. They add that

entrepreneurship development will help the entrepreneur to acquire vital entrepreneurial traits of passion to actualize new venture plans, flexible management skill, willingness to take risk, capacity to think outside the box, creativity and innovativeness as well as perseverance and social skills.

Information obtained from https://jcboseust.ac. indicate that entrepreneurship development is influenced by four distinct factors: economic development, culture, technological development and education, adding however that their influence could be positive or negative. Another information obtained from https://www.toppr.com further showed that entrepreneurship development is for aspiring and existing entrepreneurs, and that for a programme to be successful, it must have a clear objective, a plan and direction in order not to waste time, money and efforts. Besides, the selection of candidates must be based on the willingness of participants to enhance their skills and to succeed in business. Entrepreneurship development is of great benefit to the society. It has the capacity to reduce idleness and crimes, encourage the production and consumption of locally made goods, and by so doing increasing the Gross Domestic Product and revenue for the country; discourages importation and promotes the growth of local industries; reduces inflation and unemployment, enhances economic growth and reduces poverty in the society.

Power Distance and Entrepreneurship Development

Power distance, according to Hofstede (2001) is a reflection of the extent to which members of a society accept inequality in the distribution of power among the citizens, institutions, and organizations. Anastasia (2015) was of the view that societies with high power distance are characterized by the following features: autocracy in leadership; centralized authority, rules and status, acceptance of the privileges that come with power, expectation of power differences and inequality. On the other hand, she maintains that societies that have low power distance possess the following features: philosophy of consultation in decision making and decentralized authority, inclination toward egalitarianism and consciousness of rights.

A society that believes that some are born to power and others are not, and subscribe to rigid rules that limit relationships among members, is said to have high distance culture. This kind of society do not encourage achievement motivation and competition, as some people are seen as up there - superior to others who stand little chance of moving from the bottom to the top. However, the reverse is the case in low power societies that provides a level playing field upon which the ambitious, irrespective of his status or back ground can take his destiny in his hands and become whatever he is capable of becoming. Such societies promote the formation of human capital and creation of new ventures (Okenwa, 2005; https://www.toppr.com). They formulate policies, institutions and agencies that will roll out entrepreneurship development programmes and provide necessary support to potential and existing entrepreneurs.

Individualism and Entrepreneurship Development

Individualism shows the degree to which people prefer to act as individuals rather than members of a group. Individualistic societies encourage the spirit of independence, and people are allowed to take their own destinies in their hands. There is dedication to hard work, to savings, to striving toward material accomplishments, even as people accept responsibility for the consequences of their actions (Asenge, 2017). The culture that extols and values hard work, personal achievement and successful business formation will definitely attract more of their people into entrepreneurship than cultures that are not supportive of business venturing (0tihh, 2016). On the other hand, collectivistic cultures, according to Anastasia (2015) are characterized by behaviors that are consistent with social norms that are established for maintenance of harmony in closely knit societies; consideration for the wider collective interest with regards toimplications of their actions; sharing of resources and readiness to give up personal interest.

The decision of an individual in a collectivistic society is subordinate, and reflects that of the group thereby discouraging individual initiative, hard work, achievement motivation and creativity. Meanwhile, Hofstede (2001) has found that societies which score high on individualism, and low on power dimension, have a higher economic growth and greater tendency to innovate. High individualism with low power distance and weak uncertainty avoidance would encourage pro-innovative culture and entrepreneurship. Moreover, as cultures become less individualistic and more collectivist, people are more likely to identify with the group to which they belong, diminishing the degree of control that they feel over their environment (Urban, 2007).

Uncertainty Avoidance and Entrepreneurship Development

Uncertainty avoidance looks at the disposition of a people towards risk taking. The extent to which people are willing or unwilling to take risks have implications on their willingness to acquire new skills to enhance their productive capacity. Individuals high on uncertainty avoidance, according to Hofstede (2001) prefer rules and absolute truths while societies that are low on uncertainty avoidance are more flexible in their attitudes toward uncertainties and high in tolerance of risks. Weak uncertainty avoidance, according to Anastasia (2015) comes with the following features: risk tolerance which promote venturing, while strong uncertainty avoidance is represented by tendency to avoid risk; standardized procedures, written rules, clearly delineated structures and strong requirement for consensus.

Masculinity and Entrepreneurship Development

The measure of masculinity versus femininity, according to Urban (2007) reflects preference for things versus people. A masculine society places much premium on achievement, investment and entrepreneurial activities (Urban (2007). In other words, a society's preference for assertiveness, heroism, achievement and material reward for achieving success, according to Anastasia (2015), provide conditions that foster achievement motivation, savings and investment. This is the direct opposite of femininity which represents preference for momentary gratifications and relationships. Besides, when decisions of individuals are subordinated to the feelings and aspirations of a group, those who are hardworking are not encouraged in a society that does not reward hard work.

Meanwhile, an environment where mentorship and other relevant training opportunities are not available to guide prospective entrepreneurs force people to resort to trial and error, thereby increasing their chances of failure. However, where opportunities exist for entrepreneurs to improve and learn new skills, their chances of remaining and succeeding in business would be high (Osilem, 2018; as stated in Wokocha and Nwaduwa, 2018)

Long - Term Orientation and Entrepreneurship Development

Long - term orientation refers to the orientation of a people towards the future by working hard, saving and investing in productive ventures. Short term cultures, on the other hand describes a society where people are concerned about present, and to enjoy the moment as required by tradition and the desire to meet social obligations (Menzies (2015) & Anastasia, 2015). While societies that have a tradition of saving for the future create an enabling environment for opportunities to be discovered, created, evaluated, and exploited in order to create value, new ventures, and promote economic development (Shane and Venkataraman (2000).others who are only concerned about living and enjoying the moment because of social considerations, according to Anastasia (2015) place emphasis on short term pleasures, respect for traditions that do not favour savings and investments.

III. CONCLUSIONS

This deliberate attempt to examine the relationship between cultural values and entrepreneurship development has shown that cultural values have a way of affecting the mindset and behavior of those who subscribe to it. Societies that are known for high tolerance for risk, appreciate innovativeness and encourage entrepreneurial activities. In the same vein, when entrepreneurs are rewarded with profits, proliferation of new businesses and the flourishing of existing ventures happen in natural progression. However, in situations where savings and investments have little attraction, individuals with exceptional organizational abilities, and who desire to stand out in the society are compelled to do embrace non- economic channels to express their ingenuity.

The study has also shown that cultural values are those ideals, practices and preferences which defines a people. Although all societies share some common characteristics such as the family, socio-economic status, tolerance for risk, power inequality and gender issues, there are however other considerations that differentiate one society from another. They include tendencies to be independent on one hand and subordination of individual aspirations to the collective interests of the family, peers, school or even co-workers on the other However, our literature search has shown that

entrepreneurship development is concerned with all activities that are geared towards equipping individuals and groups as well as institutions with information, skills and experiences to set up new ventures or expand existing businesses.

IV. RECOMMENDATIONS

The study provided the following recommendations:

1. Government policy should be targeted at shifting cultural values towards risk-taking, Innovativeness and achievement motivation.
2. People should be exposed to other cultures and where they can see things from another perspective that is different from the one that they are used to.
3. Parents, communities, organisations and governments should take up the challenge of enlightening the citizens on the viability of entrepreneurship as an alternative means of earning a living.
4. Governments should provide infrastructure and facilities that would make entrepreneurship attractive.
5. Curricula of educational institutions should be redesigned to accommodate training in skills that will equip graduates to embrace entrepreneurship.

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