TOWARDS OPERATIONALIZATION OF CROSS-CULTURAL COMPETENCE IN IDENTIFYING INTERNATIONAL BUSINESS OPPORTUNITIES (SUMMARY)

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SUMMARY

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Principal Topic

Despite the centrality of the opportunity identification concept to entrepreneurship as a discipline, to date there is very limited empirical evidence that sheds light on how entrepreneurs recognize opportunities internationally. This cross-disciplinary empirical study aims to advance our understanding of the process of international opportunity identification by entrepreneurs. More specifically we intend to (a) explore the effect of cultural differences on determinants of opportunity identification; (b) operationalize and investigate the role of cross-cultural competence as a moderating factor in effective international business opportunity identification; (c) conceptualize cross-cultural entrepreneurial competence in international business opportunity identification; and (d) propose a training instrument/program geared to assist entrepreneurs in developing effective responses to a cross-cultural environment when identifying international business opportunities. This study adopts cross-disciplinary approach, leveraging off the disciplines of entrepreneurship, international business and cross-cultural psychology. Its theoretical foundations are derived from current knowledge in the areas of opportunity identification and development, entrepreneurial cognition, international entrepreneurship, entrepreneurial competencies, cultural issues in internationalization of a firm and cross-cultural competence.

Data collection is currently in progress and data analysis is expected to be completed in December 2010. Therefore, this paper reports on a theoretical framework for the study and presents research instruments.

Method

The exploratory nature of the study presents sufficient justification for adopting qualitative research methodology and case study technique. The sample companies for this study are selected across different industries to support generalizability of results by cross-industrial setting. Research participants are entrepreneurs-owners who have initiated commencement of international operations by their companies. Data is gathered via questionnaires, in-depth interviews with entrepreneurs and via documentary sources of evidence as provided by interviewees and obtained from other sources such as mass media. Data analysis will be based on the grounded theory research techniques and procedures and will include open, axial and selective coding.

Results and Implications

A mechanism of cultural influence on an entrepreneur’s cognition, behavior, and their ability to identify international opportunities is explored. Cross-cultural competence in identifying international business opportunities is defined and operationalized. Recommendations on stimulating international entrepreneurship at both business practitioners’ and policymakers’ levels are provided.

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