CULTURAL LEADERSHIP STEREOTYPES AND THE ENTREPRENEURIAL PROCESS: A MULTI-LEVEL, CROSS-NATIONAL STUDY (SUMMARY)

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SUMMARY

CULTURAL LEADERSHIP STEREOTYPES AND THE ENTREPRENEURIAL PROCESS: A MULTI-LEVEL, CROSS-NATIONAL STUDY

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Principal Topic

We offer a fresh perspective on national culture and entrepreneurship research by exploring the role of Culturally-endorsed implicit Leadership Theories (CLTs) – culturally shared stereotypes of effective, outstanding leaders (Dorfman et al. 2012) – on individuals’ engagement in entrepreneurship. Drawing on implicit leadership theory and the notion of culture-entrepreneurship fit, we hypothesize that self-protective and charismatic CLTs positively influence individuals’ engagement in entrepreneurship. These CLTs emphasize self-interest and proactive leadership traits and thus capture leadership stereotypes particularly consistent with entrepreneurship. We hypothesize motivational self-selection and cultural legitimation processes through which CLTs impact the various stages of the entrepreneurial process differently. Finally we propose that CLTs are an important missing link in our understanding of how cultural values impact entrepreneurship.

Method

We use data from the Global Entrepreneurship Monitor (2001 to 2008) on 336,425 individual nested in 42 countries merged with GLOBE country-level data on CLTs and cultural values (House et al. 2004) and GDP. We apply logistic multi-level regressions and include a range of individual and country-level control variables. Our dependent variables are the individual likelihood of engaging in sequential stages of the entrepreneurial process: intention, nascent, new and established entrepreneurship.

Results

Self-protective and charismatic CLTs influence individual entrepreneurship positively and these effects increase in strength as they progress through the sequential phases of the entrepreneurial process (i.e. from entrepreneurial intention, nascent, new to established individual entrepreneurship). We further find evidence that self-protective and charismatic CLTs mediate the effect of cultural values (especially uncertainty avoidance) on individual entrepreneurship.

Implications

Our findings contribute to comparative entrepreneurship research by broadening our understanding of informal institutions impacting entrepreneurship. Considering CLTs, their function as mediators of the effects of cultural values, as well as the various stages of the entrepreneurial process helps clarifying past conflicting findings on the role of cultural values for entrepreneurship. Our findings highlight the usefulness of viewing and measuring entrepreneurship as a process in comparative entrepreneurship research. Regarding leadership research, our findings increase the understanding of consequences of CLTs by linking them to entrepreneurship. They also add to the scarce research on drivers of the motivation to lead and the emergence of strategic leaders by highlighting CLTs as contextual antecedents.

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