THE CULTURAL CONSEQUENCES OF OPPORTUNITY RECOGNITION AND EXPLOITATION – THE CASE OF TRANSNATIONAL ENTREPRENEURS VS. INDIGENOUS ENTREPRENEURS (INTERACTIVE PAPER)

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THE CASE OF TRANSNATIONAL ENTREPRENEURS VS. INDIGENOUS ENTREPRENEURS

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Principal Topic

The influence of culture on entrepreneurship has been of continued scholarly interest for over three decades (George & Zahra, 2002). Previous research indicated that some cultures are more conducive for entrepreneurship than others (Tan, 2002; Mueller & Thomas, 2000), however, one line of research that has not dealt with these processes, contrary to the cross-cultural perspective, is that on acculturation, specifically in the context of entrepreneurs with transnational background.

The paper aims to study the influence of acculturation experience on transnational entrepreneurs. What if the agents “entrepreneurs” have previously been exposed to a secondary culture that is different from his/her own culture of origin (Hong et al., 2000)? we propose that opportunity recognition is a special case of the creative process, which can be demonstrated through culture consequences; entrepreneurs who have experienced an acculturation process (i.e. creative capital, and bilingualism) developed a pattern of recognition featured with superior entrepreneurial alertness and bi-associative thinking in recognizing and exploiting new venture opportunities, than those who did not have the acculturation experience – Indigenous Entrepreneurs.

We aim to investigate whether transnational entrepreneurs have gained comparative advantages over indigenous entrepreneurs at the firm level, particularly in explaining “why” instead of “how” of this process, or indeed to attempt to contribute to the most prominent question within opportunity recognition research: Why some people recognize opportunities and some don’t (Baron, 2006; Shane & Venkataraman, 2000; Gaglio & Taub, 1992; Long & McMullen, 1984).

Method

A survey of comparison study between a sample of 1000 returned overseas Chinese founded companies (government funded incubators) and 1000 indigenous companies (University spin-offs). The sample will be selected around 5 major regions of China.

Results and Implications

The findings from this study will generate new insights to opportunity recognition research as well as cultural consequences of entrepreneurship, it offer significant implications for both policymakers and business practitioners regarding the role of transnational entrepreneurs in innovation and technology transfer.

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