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THE IMPACT OF CULTURE ON THE CREATION OF ENTERPRISES

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Principal Topic
Our paper examines how the cultural background of the entrepreneurs affects the way they create their enterprise and to discover in what ways different business environments dissipate the cultural influence of the home country (or not). We hypothesized that (1) if culture is an influential factor, entrepreneurs from the same culture and with similar profile will use similar approaches that are characteristic of their culture regardless of the business environment they are in and (2) if culture is not an influential factor, these entrepreneurs will use different approaches contingent to the environment they are in. Nevertheless, culture and business environment may be both important. In that case, we want to find out which enterprise creation activities are under cultural influences and how.

Method
We used the qualitative multiple-case study method to study in depth 12 Vietnamese entrepreneurs. Six of them founded their enterprises in Vietnam and the other six founded theirs in Canada within than 5 years from their arrival in this country. Every two sampled entrepreneurs (one in Vietnam and the other in Canada) had similar profiles at the time they started their venture (i.e. same sex, age, education level, religion or spiritual believes, business founding experience, and family status). All interviews, averaging 3 hours, were tape recorded and transcribed verbatim. The protocols were then analyzed with the use of matrix and decision tree coding.

Results and Implications
We found that of the five stages of enterprise creation (namely identification of business opportunity, business concept definition, resource mobilization, enterprise formation, and launch of business) the sampled entrepreneurs with similar profiles have very similar approaches for business opportunity identification and resource mobilization regardless of which country they are in. However, culture has almost no influence on enterprise formation and business concept definition but it has some impact on how the business is launched. These findings have two implications. First, since people will not create enterprises if they cannot see opportunities or mobilize sufficient resources for the venture, policy makers must take into account the human side of entrepreneurship to enable people to see opportunities if they want to promote entrepreneurship. Second, business environment rather than culture influences how business ideas are refined and executed, an entrepreneur-friendly environment is necessary for a sustainable development of entrepreneurship.

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