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## **ENTRENCHED CULTURAL ATTRIBUTES AS PREDICTORS OF ENTREPRENEURIAL START-UP BEHAVIOUR AMONG AFRICAN STUDENTS AT AN INSTITUTION OF HIGHER LEARNING IN THE EASTERN CAPE PROVINCE OF SOUTH AFRICA**

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### **ABSTRACT**

In respect of the economic challenges facing the majority of Africans in South Africa which include poverty and inequalities, this study held that components of the Africanisation ideology like ubuntu may be considered to be valuable. The study recognised that dimensions of the Africanisation philosophy can be central in achieving justice and equality in post-apartheid South Africa. In particular, the ubuntu dimension which includes value for all human beings and according them respect as well as dignity to foster collective development, the fight against apartheid was won. In the same manner, this study envisages winning African problems through Africanisation in entrepreneurial education. The study was developed to explore the concept of Africanisation as a predictor of entrepreneurial start-ups against the background that the components of Africanisation such as collectivism, respect for one another, collective support for one another and love for the people can build peace and foster economic and entrepreneurial growth. The longitudinal research design where data was collected from seventy final year students of Entrepreneurship at a University in the Eastern Cape Province was adopted. In the first instance data was collected to rate the entrepreneurial disposition of the students using Hofstede's cultural theory and in the second stage, data on the entrepreneurial behaviours of the students after two years of graduation was considered. The study found considerable support that cultural entrenchments related to entrepreneurial behaviours. Entrepreneurial students with a well established cultural entrenchment attributed the success of their ventures to certain attributes of Africanisation.

### **INTRODUCTION**

Despite an economic development thrust for the post-apartheid South Africa through such policies as the Growth, Employment and Redistribution (GEAR) initiative as well as the Reconstruction and Development Programme (RDP), South Africa is still worried about low economic in comparison to its expectations and to the Brazil, Russia, China and South Africa (BRICS) bloc (Davids, Tengeh & Duffett, 2021). With worldwide acknowledgement that entrepreneurial activities contribute notably to economic growth and development, South Africa has become active in the promotion of entrepreneurial activities to address high rates of unemployment, poverty and

socio-economic inequalities. This study is aligned to the cultural theory of entrepreneurship behavior which suggest that that certain elements of culture have an implication of entrepreneurial behavior . Africans tend to be characterized by a distinguished cultural orientation that shape their behavior (including that of venture creation) (Roman & Maxim, 2017). Specifically, certain cultural attributes have a bearing of personality traits which overall rate to entrepreneurial behaviours (Roman & maxim, 2017). The study explores the case for the Africanisation of entrepreneurship in an effort to boost entrepreneurial education and reducing unemployment. Specifically, the study was formulated to consider entrenched cultural attributes as predictors of entrepreneurial start-up behaviour among African students at an institution of higher learning in the Eastern Cape Province of South Africa. To do this, the study adopted

Hofstede's lens of macro level cultural dimensions as provided in (Huang, Crotts, 2019). The dimension are: (1) power distance, (2) individualism versus collectivism, (3) masculinity, (4) uncertainty avoidance and (5) long term orientation

### **Africanisation and cultural entrenchment**

As provided in the Global Entrepreneurship Monitor [GEM] (2020), entrepreneurship activities tend to be related to cultural elements that shape the attitudes, perceptions, beliefs, and behaviour potential entrepreneurs. The African society is based on certain principles, values and beliefs that continue to shape behavior throughout life including economic behaviours. Mugobo and Ukpere's (2011) study was echoed in Ngorora and Mago (2018) as they found out that cultural elements tend to predict entrepreneurship behaviours in many African society. The African culture should be considered in its various levels from family, community to national levels. In South Africa where Africans represent about eight two percent (82%) of the population (Statistics South Africa, 2020), the likelihood African cultural elements at national level is high. In the study of Ngorora and Mago (2018) It was argued that Africanisation is a national concept where elements of the African culture as groomed at family and community levels van be observed to shape general national level behaviours. In respect of such elements of Africanisation as ubuntu and collectivism, entrepreneurial related behavioural behaviours in the form of community, collective and family entrepreneurial behaviours have been observed among Africans. The Africanisation concept entails the deeply entrenched African social orders in societies and institutions that account for manifestation of certain behaviours, attitudes and manifest activities of individuals (Groysberg, Lee, Price & Cheng, 2018). Porcu, del Barrio-García, Alcántara-Pilar and CrespoAlmendros (2017), argues that Africanisation is related to the group based intellectual programming among society members which makes them unique from those of another society. Entrenched elements of Africanisation that tend to have an impact on entrepreneurship include those in relation to competition, collectivism and individualism, value for investment, patience and perseverance (Pawlak, 2012).

### **Cultural Entrepreneurial start-up behaviours**

Culture can provide initial experiences, support and confidence for emerging entrepreneurs (Ngorora and Mago, 2018). In their study of culture and entrepreneurship, Davids, et al. (2021) found that there is inadequate education and training for successful entrepreneurship education in

South Africa. In considering these findings, it was revealed that most entrepreneurs tend to be survivalist (Davids, et al, 2021). Against the background of a weak education system to adequately support viable entrepreneurship behavior, cultural elements which are associated with the programming of the mind in ways that can support behavior are important for understanding this phenomenon. As Davids, et al. (2021) provides, the history of apartheid in South Africa was not supportive of entrepreneurial behavior and with a Eurocentric oriented education system a change to Africanisation can be important. Entrepreneurial start-up behavior can be explored within Hofstede's five dimensions of power difference, long term orientation, masculinity, individualism and collectivism as well as uncertainty avoidance. Entrepreneurs are considered to be risk takers, that is they may tend to be low on uncertainty avoidance, high on masculinity as well as long term orientation (Huang & Crotts, 2019). This study considered Africanisation as a form of culture that can be considered using Hofstede's dimensions to predictor entrepreneurial start-up behaviours.

### **Influencing entrepreneurial start-ups through Africanised cultural entrenchments**

A key element of African culture disposition is Ubuntu which is considered to be opposite to individualism and utilitarianism ideologies of the West (Mutwarasibo & Iken, 2019). The Ubuntu philosophy carries with it a notion of liberating Africans from social, economic and political bondages which can be considered collectively by treating each other as humans. As a result it has been a critical component in the fight for liberation from apartheid. It is the case that when the elements of ubuntu were considered the evilness of apartheid was recognized and resistance then became important. As explained in Simpeh (2011), anthropological theories of entrepreneurship tend to argue that the culture of the community tend to be a crucial element in shaping the behaviours, values, norms and beliefs that can shape entrepreneurial activity. In consideration of this argument, while education is a key component in developing entrepreneurs, the culture of the society to be a critical element for the realization of real entrepreneurship. In Oluase's (2020) study, entrepreneurial education is believed to provide entrepreneurial capital which relates better entrepreneurial activity. The extent to which education only provides this capital is debatable. This study argues for the argument that education is a formation of society where certain cultural components tend to shape the success of educational policy. While the African society is considered to have an entrepreneurial mindset which formed the basis of its survival over the years, apartheid disturbed its orientation and was characterized by the exclusion of Africans from economic participation resulting disturbing the African spirit of entrepreneurship (Ladzani, 2010)

### **Methodology**

The longitudinal research design was adopted to explore the relationship between certain attributes of the African culture and the tendency to start entrepreneurial ventures. As explained in Christensen, Johnson & Turner (2015), the longitudinal research design involves the collection of data at more than two different points in time partly to explore how certain variables changed or correlated with time. In this study an entrepreneurship class of seventy students at a selected University in the Eastern Cape province was investigated to profile them in terms of their cultural entrenchment attributes. Cultural entrenchment was considered within a Likert scale of agreeable to Hofstede's cultural model of exploring cultural elements. The results were then kept

until the students graduated and after two years of graduation a follow up on the seventy students was done.

### Findings Cultural entrenchment

The profiles of the seventy (70) students in terms of their dimensions of culture are depicted in Table 1.1. All the students were black Africans and their level of agreeableness to the five key elements of Hofstede's cultural elements are as shown. In respect of power distance, twenty nine percent (29%) indicated that they accept power distances and class differences. This is typical of many African societies where there are ruling classes and ordinary community members. However the African community is unique in that those in power sees themselves as obliged to assist and contribute to the welfare of ordinary citizens. However, the results also demonstrated a notable percentage (26%) being neutral to their acceptance of class differences while a very small percentage (3%) strongly disagreed that they accepted class differences and power distance. Masculinity which related to desire for material things, acceptance of competition and desire to achieve was very high among the students (57%). As such, there was strong indication that the respondents had a stronger masculine attribute, with on seven percent (7%) strongly disagreeing as shown in Table 1.1.

**Table 1.1: African cultural entrenchment of the participating students**

		SA	A	N	D	SD
Power distance	I come from a class society that accepts class differences	29%	26%	31%	11%	3%
Masculinity	In the community I come from, there is high motivation to achieve, value for competition and materialism	57%	21%	7%	7%	7%
Long term orientation	The community where I come from has high preference for stability, frugality, respect for tradition and well as future-orientation	43%	29%	7%	14%	7%
Uncertainty avoidance	In the community I come from there is high tolerance for risk and uncertainty	36%	14%	29%	10%	11%
Individualism and collectivism	In the community I come from the there is greater value for the welfare of the group more than that of the individual	86%	4%	1%	4%	4%

Table 1.1 shows that the students who participated in this study had strong cultural entrenchment as considered within Hofstede's cultural dimensions. The next part was to determine their entrepreneurial behavior and perceptions after two years.

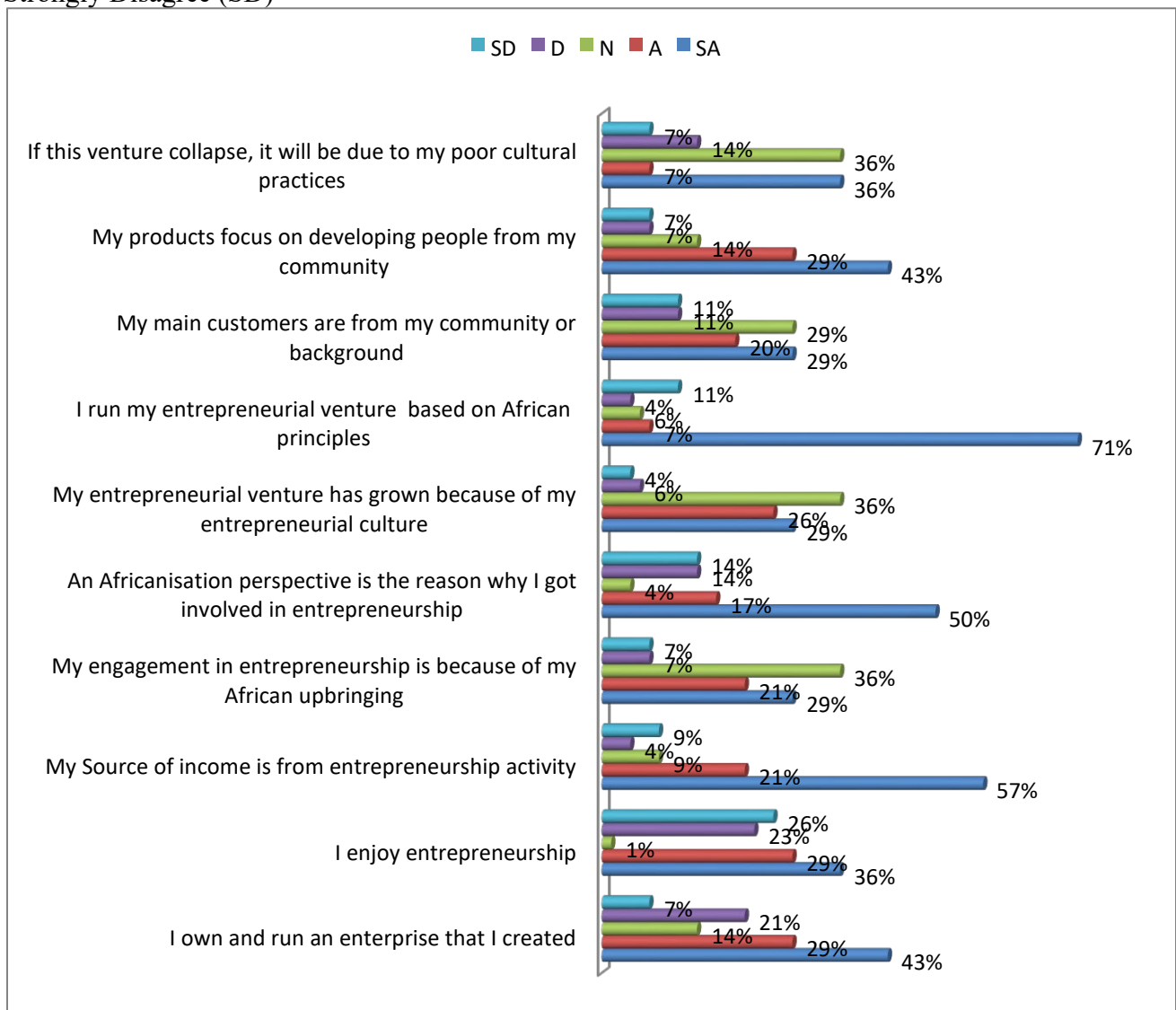
### Entrepreneurial start behaviours

Figure 1 shows the entrepreneurial behavior and perceptions of the group of students. When Table 1 and Figure 1 are considered, there was evidence form this study that there is a strong link between

the cultural behaviours or perceptions of the students and their entrepreneurial start-up behaviours. This was observable as forty three percent (43%) strongly agreed that they owned and ran an enterprise that they created. This demonstrated that these seventy (70) students who were high on African culture entrenchment had high entrepreneurial start-up behaviours. While there was strong agreement (36%) that entrepreneurial entrenchment was deemed critical for the success of the students' entrepreneurial ventures, another thirty six percent (36%) were neutral. This demonstrated the existence of other factors accounting for the success of entrepreneurial activities. Only seven percent disagreed that poor cultural orientations would explain the success and failure of their enterprises.

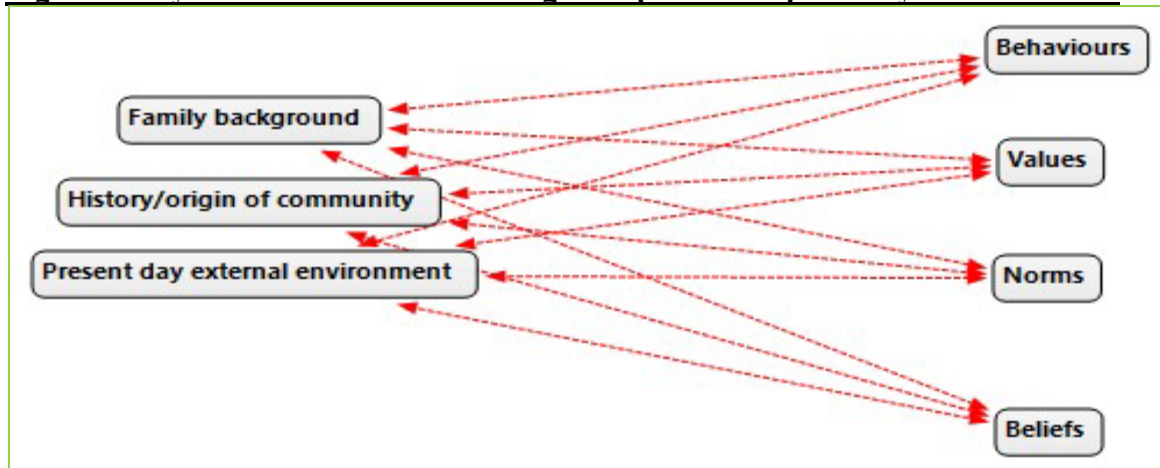
**Figure 2: Entrepreneurial behaviours and perspectives of the students**

The coding in Figure 2 was as follows: Strongly Agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD)



In addition to showing stronger cultural entrenchments and significantly engaging in entrepreneurial behaviours that are linked to culture, Figure also shows that the neutral respondents also featured prominently. For instance thirty six percent (36%) of the respondents were neutral to the assertion that if their businesses collapse its because of their culture. The same percentage (36%) were neutral to the statement that their enterprises have grown because of their culture. The prevalence of a higher neutral response was taken to imply the existence of other factors that are not culture which influence entrepreneurship. The Global Economic Monitor (2020) commented that culture remains central among many factors' to entrepreneurial development. The results presented in Figure 2 those of other researchers who have considered the cultural elements that affect entrepreneurship. Studies such as those of Davids, et al. (2021), found that culture, with respect to the African culture, has a bearing on entrepreneurial behaviours. Studies such as those of Roman and Maxim (2017) and Jones, Dobson and Newbery (2018) strongly mirrors those of this study in reaching the conclusion that cultural elements tend to affect both entrepreneurial start-ups and the perspectives that entrepreneurs hold in managing their ventures. Figure 2 summarises the results of this study and shows the that African cultural elements related to family backgrounds, history, or community origin as well as the present-day external environment had an influence on the behavior, values, norms, and beliefs of the entrepreneurship students who participated in this study

**Figure 2: key cultural elements affecting entrepreneurship activity and behaviour**



## Conclusion

This study was formulated against the background of the need to address economic stagnation and development through entrepreneurship. In this study developing entrepreneurial activity through Africanisation of university graduates was considered. Precisely, the study explored how entrenched entrepreneurial attributes predicted entrepreneurial behavior among graduates. The literature review demonstrated that entrepreneurs is a critical economic activity the world over. This study found evidence which supported assertions by the Global Economic Monitor (2020) that entrepreneurship is a cultural activity whose success has a cultural entrenchment. Entrepreneurship students in this study had stronger cultural entrenchment and had strong culturally inclined behavior. After two years of graduation, these students became entrepreneurs

and they attributed their success in venture creation and management to strong cultural entrenchment.

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