



**Graduate
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Exploring the Relationship between Entrepreneurship Education and Students' Entrepreneurial Intentions: the Moderating Role of National Culture¹

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*SMS Conference
Denver, October 3-6, 2015*

¹ Research has been conducted with financial support from Russian Science Foundation grant (project No.14-18-01093)



Research Motivation

- Entrepreneurial behavior can be best explained by entrepreneurial intentions (Bird, 1988; Schlaegel and Koenig, 2014). EI are strongest among young people aged 25-34 years old (Amoros and Bosma, 2014).
- There is a growing interest toward exploring the formation of students' entrepreneurial intentions in the university context (Bae *et al.*, 2014).
- The results on entrepreneurship education-entrepreneurial intentions link are inconsistent, and entrepreneurial *learning* may better explain the formation of students' EI (Souitaris *et al.*, 2007).
- National culture may form entrepreneurial cognition and create a favorable environment for entrepreneurship (Busenitz and Lau, 1996).

Research Questions:

*How does entrepreneurial learning relate to students' entrepreneurial intentions?
How do the elements of national culture affect the strength of this relationship?*

Theory and Hypotheses

Entrepreneurial intentions and entrepreneurial learning

- Entrepreneurial learning as the development of necessary skills and knowledge for being effective in establishing and managing a firm (Politis, 2005);
- 5 levels of learning (Johannisson, 1991):
 - 1) know-why competences (attitudes, values and motivations of entrepreneurs),
 - 2) know-how competences (practical skills and abilities which can be used in action),
 - 3) know-what competences (knowledge about entrepreneurship),
 - 4) know-who competences (social skills and networks),
 - 5) know-when competences (opportunity identification and management).

H1: Entrepreneurial learning from university programs is positively associated with students' entrepreneurial intentions.

Theory and Hypotheses

Power distance

- Context matters in the formation of students' entrepreneurial intentions (Hisrich, 1990; Hayton *et al.*, 2002);
- Power distance is perceived as the degree to which individuals accept power in a society (Hauff and Richter, 2015; House *et al.*, 2004);
- In high power distance societies, the autonomy is limited, and firm creation may be considered to be restricted to the elites, who have power and access to resources (Mitchell *et al.*, 2000);
- In the university context, the dependence of students on powerful individuals and lack of autonomy (Goktan and Gunay, 2011) may create obstacles to the application of knowledge obtained from university program to entrepreneurial practice.

H2a: The positive relationship between entrepreneurial learning and students' entrepreneurial intentions will be weaker in high power distance cultures than in low power distance cultures.

Theory and Hypotheses

Individualism / Collectivism

- Individualism / collectivism describes the degree of interdependence that society maintains among the individuals (Hofstede and Hofstede, 2005);
- In individualistic cultures, where the ultimate goal of individual is achievement and self-realization, entrepreneurs are encouraged and valued (Davidsson and Wiklund, 1997);
- In the university environment, students will be more likely to behave on their own (Hofstede and Hofstede, 2005), and realization of their entrepreneurial initiatives will be less influenced by the opinions of group members.

H2b: The positive relationship between entrepreneurial learning and students' entrepreneurial intentions will be stronger in individualistic cultures than in collectivistic cultures.

Theory and Hypotheses

Uncertainty avoidance

- Uncertainty avoidance refers to the extent to which the members of a society strive to avoid uncertainty by relying on established social norms, rituals, and practices (House *et al.*, 2004);
- The tendency to avoid uncertainty has an impact on innovativeness (Shane, 1993) and opportunity recognition (Acedo and Florin, 2006), and is likely to affect entrepreneurial activity in a country (Acedo and Florin, 2006; Goktan and Gunay, 2011; Mueller and Thomas, 2000; Ozgen, 2012);
- In high uncertainty avoidance cultures, students are less reluctant to perceive ambiguity and perform uncertain entrepreneurial behavior.

H2c: The positive relationship between entrepreneurial learning and students' entrepreneurial intentions will be weaker in high uncertainty avoidance cultures than in low uncertainty avoidance cultures.

Method

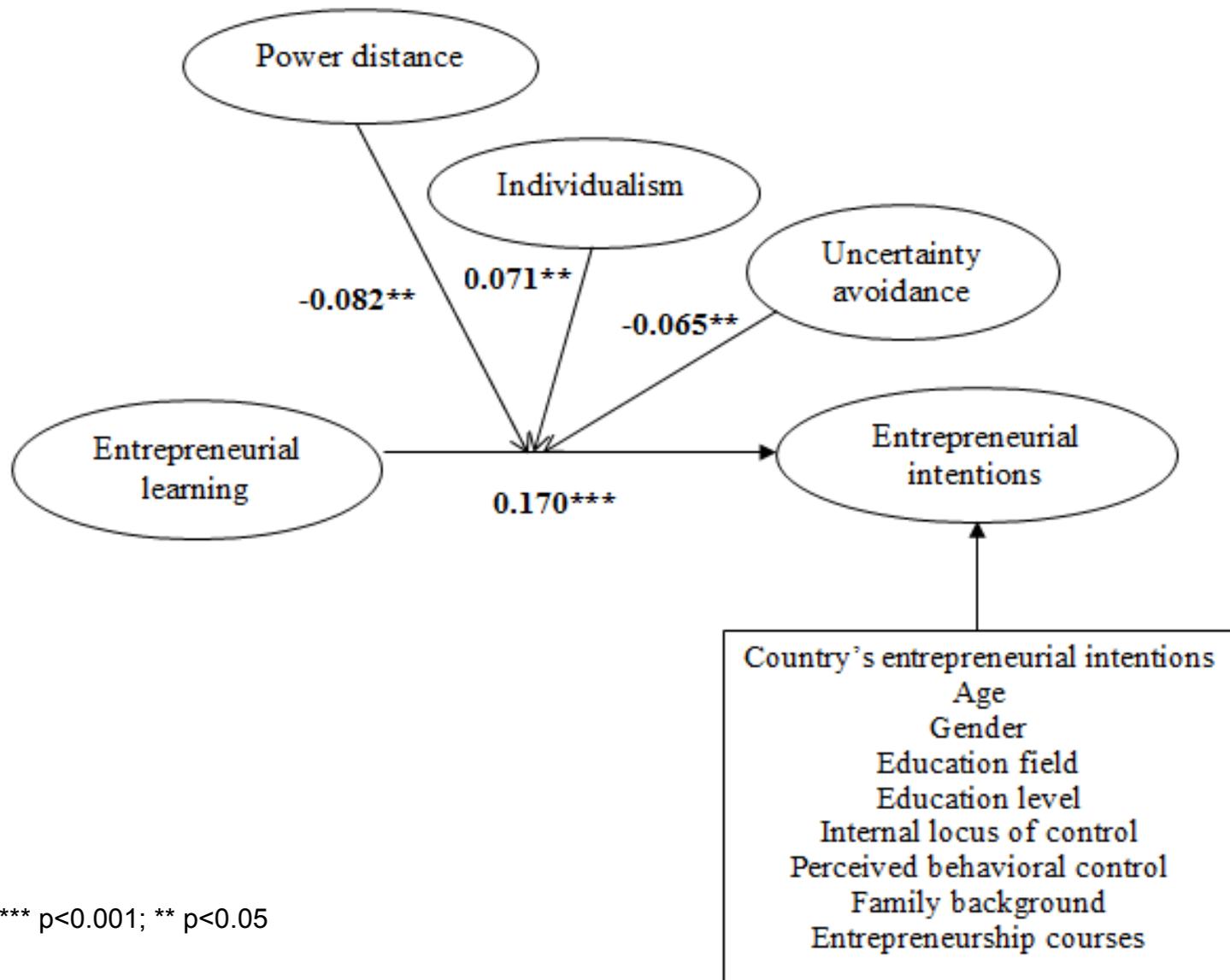
Sample

- **Global University Entrepreneurial Spirit Students' Survey (GUESSS) 2013/2014:**
 - 34 countries, 759 universities , 103 010 students.
 - Students divided into 3 categories: no intention to found business, intentional founders and active founders.
- For the purpose of this study, we focus on the group of **intentional founders** from **28 countries**.
- Sub-sample of students (18-34 years) accounted for **84 812** useable answers.

Measures

Variable	Source	Cronbach Alpha
Dependent variable - <i>Students' entrepreneurial intentions</i>	7-point Likert scale; Liñán & Chen (2009)	0.96
Independent variable - <i>Entrepreneurial learning</i>	7-point Likert scale; Souitaris et al. (2007)	0.91
Moderators - <i>Power distance</i> <i>Individualism</i> <i>Uncertainty avoidance</i>	Country's cultural dimension score reported online on the "Hofstede Centre" website.	—
Controls – <i>Student age</i> <i>Student gender</i> <i>Field of study</i> <i>The education level</i> <i>Family business background</i> <i>Entrepreneurship courses</i> <i>Internal locus of control</i> <i>Perceived behavioral control</i> <i>Country's "Entrepreneurial intentions"</i>	1 – male, 0 – female. 1 – business, 0 – other. 1 – bachelor, 0 – other. 1 – yes, 0 – no. 1 – yes, 0 – no. 7-point Likert scale: Levenson (1973) 7-point Likert scale: Soutaris et al. (2007) GEM 2013	0.74 0.88

Summary of Regression Results



*** $p < 0.001$; ** $p < 0.05$

Findings and Discussion

- Supporting previous findings about the importance of entrepreneurial learning for formation of entrepreneurial intentions (Souitaris *et al.*, 2007), we found that **entrepreneurial learning is positively associated with university students' entrepreneurial intentions;**
- In high **power distance** cultures the strength of entrepreneurial learning-entrepreneurial intentions relationship is weaker, compared to low power distance cultures.
- **Individualism** strengthens the link between entrepreneurial learning and students' entrepreneurial intentions;
- High **uncertainty avoidance** level weakens entrepreneurial learning-entrepreneurial intentions link.
- Unexpected direct negative effect of individualism and positive effect of power distance on students' entrepreneurial intentions.

Contribution

- Improve the understanding of how entrepreneurial learning is related to the entrepreneurial intentions of university students.
- Add new insights in understanding of entrepreneurial learning concept, considering entrepreneurial learning as perceived benefits for entrepreneurship from all courses and offerings at a university.
- Investigate the relationship between entrepreneurial learning and entrepreneurial intentions in different cultural contexts.
- Embrace environmental characteristics as an extremely important part of the development of entrepreneurship.
- Propose new insights in investigating direct effects of national culture on entrepreneurship in university context.

Thank you for your attention!