Toward A Cultural Model of Indigenous Entrepreneurial Attitude

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EXECUTIVE SUMMARY

Over the past decade, there have been various culture-related entrepreneurship studies. With limited exception, little culture-related research has been undertaken into entrepreneurial attitude. Most entrepreneurial attitude research has focused on western oriented, non-Indigenous entrepreneurs though at least one study investigated the entrepreneurial attitudes of Indigenous entrepreneurs. Culture is important to Indigenous people and they have strong feelings toward their self-determination, their land, and their heritage. Given the deep-rooted nature of Indigenous culture, culture must feature as a contextual variable in Indigenous entrepreneurial attitude theory. This research, therefore, approaches the question of the nature of Indigenous entrepreneurship from two perspectives: cultural dimensions and entrepreneurial attitude. These constructs are used to develop a cultural entrepreneurial attitude model to explain how culture influences Indigenous entrepreneur attitude toward new venture creation and development and associated entrepreneurial behavior.

Indigenous Entrepreneurship

In this research, an Indigenous person is regarded as an individual who is an original owner of a country’s resources or a descendent of such a person and which, in either case, the individual regards himself or herself as Indigenous and the Indigenous community in which they live accepts them as Indigenous. Indigenous people have an affinity with the natural environment and any definition of Indigenous entrepreneurship needs to incorporate an understanding of environmental dynamics and to acknowledge social and economic conditions. Indigenous entrepreneurship is defined in terms of creating, managing, and developing new ventures by Indigenous people for the benefit of Indigenous people. Underpinning these benefits are strong desires for self determination, heritage preservation, entrepreneurial strategies originating in and controlled by the community, and the sanction of Indigenous culture. Thus, Indigenous entrepreneurship is more holistic than non-Indigenous entrepreneurship; it focuses on both economic and non-economic objectives.

Culture

Culture is the collective programming of the mind that distinguishes the members of one category of people from another. It can be measured in terms of power distance, individualism-collectivism, uncertainty avoidance, masculinity-femininity, and long term versus short term orientation. Culture influences attitudes and behavior, varies within and across nations and within and across ethnicities, and is strongly embedded in Indigenous communities.

Generalized Indigenous cultural dimensional weightings have been identified in terms of high collectivism/low individualism, low power distance, low uncertainty avoidance; and high femininity/low masculinity. Some researchers believe that certain perceptions and beliefs among entrepreneurs transcend cultures. They identified the following predictable set of values among entrepreneurs from across eight countries: low collectivism/high individualism, high power distance, low uncertainty avoidance, and low femininity/high masculinity.
Because of the strength of cultural influences upon Indigenous entrepreneurs in Indigenous communities, it is expected that any set of common Indigenous entrepreneurial values will reflect Indigenous cultural values. As such, Indigenous entrepreneurs will exhibit high collectivism/low individualism, low power distance, low uncertainty avoidance, and high femininity/low masculinity.

**Entrepreneurial Attitude**

Attitude is the predisposition to respond in a generally favorable or unfavorable manner with respect to the object of the attitude. Validated measurement scales based on attitude theory and designed to be used by entrepreneurship researchers include scales to measure entrepreneurial attitude orientation (EAO) and entrepreneurial opportunity recognition (EOR). Entrepreneurs tend to rate higher on these scales compared to non-entrepreneurs.

Indigenous entrepreneurship assumes a different form than non-Indigenous entrepreneurship. Indigenous entrepreneurship must be viewed within an Indigenous cultural context since Indigenous culture will shape Indigenous entrepreneur attitudes. Entrepreneurial attitude is measured in terms of achievement, innovation, personal control, self esteem, and opportunity recognition. Taking into consideration the strong cultural influences on entrepreneurial attitudes toward new venture creation and development, Indigenous entrepreneurs will demonstrate low levels of the EAO dimension – achievement, low levels of the EAO dimension – innovation, low levels of the EAO dimension – personal control, low levels of the EAO dimension – self-esteem, and low levels of the EOR dimension – opportunity recognition.

**Reflecting Upon the Indigenous Culture Entrepreneurial Attitude Relationship**

The propositions developed in this research help to explain why there are less entrepreneurial ventures developed by Indigenous entrepreneurs per capita compared to non-Indigenous entrepreneurs, why the nature of Indigenous businesses often differ from their non-Indigenous counterparts, and the Indigenous entrepreneur-success relationship. Business opportunities from an Indigenous perspective embrace both economic and non-economic objectives and may be “different” from what western non-Indigenous entrepreneurs regard as an opportunity as seen from a purely economic perspective. Significant cultural pressures are placed on Indigenous entrepreneurs. These pressures will manifest themselves in new venture creation and development behavior that involve the community at a range of levels, that contribute toward self-determination while incorporating heritage, and where cultural values are an inextricable part of the very fabric of these ventures. Thus, the Indigenous “team” involved in new venture creation and development may involve not only the entrepreneur and the business’ entrepreneurial team but also the entrepreneur’s family, extended family, and/or the community. Thus, in Indigenous businesses, there are more stakeholders involved than with non-Indigenous businesses. For this reason, Indigenous businesses can be regarded as more complex than non-Indigenous businesses and this complexity needs to be reflected in defining entrepreneurship from an Indigenous perspective.

**Research Implications and Directions**

From a theoretical perspective, the research is but a first step toward developing a more encompassing and holistic cultural entrepreneurial attitude model that is inclusive of both non-Indigenous and Indigenous entrepreneurs. From a practical perspective, many training programs developed to encourage entrepreneurship in the community have a western non-Indigenous orientation. Attempts to implement these programs into Indigenous communities without addressing cultural context are destined for failure. Possible future research directions include examining entrepreneurial attitude theory from an eastern perspective, examining current entrepreneurial attitude theory to determine whether it needs to be modified for Indigenous entrepreneurship, and examining whether some Indigenous communities are more entrepreneurial than others.

**Conclusion**

There is a growing need to understand more about Indigenous entrepreneurship and how it diverges from non-Indigenous entrepreneurship. The model developed in this research contributes toward this understanding by attempting to explain cultural effects on Indigenous entrepreneur attitude.

**Keywords:** Indigenous, culture, entrepreneur, attitude, opportunity recognition.
Toward A Cultural Model of Indigenous Entrepreneurial Attitude

Over the past decade, culture-related entrepreneurship studies have examined cognition (Busenitz and Lau 1996; Mitchell et al. 2000; Mitchell et al. 2002), entrepreneur perceptions of the environment and associated strategic orientations (Tan 2002), social interventions designed to encourage entrepreneurship (McGrath et al. 1992a), and national cultural characteristics and entrepreneurship (Hayton, George, and Zahra 2002; Holt 1997). With few exceptions, e.g., Lindsay, Jordaan, and Lindsay (2004), little culture-related research has been undertaken into entrepreneurial attitude. Yet, culture and ethnicity affect attitude (Baskerville 2003) and some cultures produce individuals with higher propensities for entrepreneurial activity than others (Busenitz and Lau 1996).

Although there are more than 500 million Indigenous people in the world, most research into entrepreneurial attitude focuses on non-Indigenous entrepreneurs (e.g., McClane, Bhat, and Baj 2000; Robinson et al. 1991). Indigenous entrepreneurship, however, is increasing as Indigenous people attempt to achieve self-determination and improve their socioeconomic circumstances. Culture is important to Indigenous people (Anderson 1999; Anderson et al. 2004; Foley 2003; Hindle and Lansdowne 2005) and culture affects attitude (Baskerville 2003) including attitude toward new venture creation and development.

This conceptual study examines Indigenous entrepreneurship from two perspectives: cultural dimensions and entrepreneurial attitude. These constructs are used to develop a cultural entrepreneurial attitude model to explain how culture influences attitude toward new venture creation and development and associated entrepreneurial behavior. Intention is viewed as a function of attitude with the entrepreneurial behavior partially determined by the strength of the intention. Culture-entrepreneur attitude effects in other environments, such as eastern environments, are not addressed.

As entrepreneurs do not constitute a homogeneous entity with homogeneous behavior, research into different entrepreneur types is needed (Ucbasaran, Westhead, and Wright 2001). Current entrepreneur attitude theory is largely western and non-Indigenous oriented. When investigating non-western environments, western theories need to be modified to explain attitudes and behaviors of Indigenous entrepreneurs (Dana 2000). Thus, developing a culture-entrepreneur attitude model that acknowledges Indigenous and non-Indigenous differences contributes toward developing a more holistic entrepreneurship theory.

INDIGENOUS ENTREPRENEURSHIP

In this conceptual study, an Indigenous person is regarded as an individual who is an original owner of a country’s resources or a descendent of such a person, and the individual regards himself or herself as Indigenous and the Indigenous community in which they live accepts them as Indigenous (Foley 2003). Examples of Indigenous people include the Native American (USA), the Canadian Indian (Canada), the Inuit (Alaska), the Aboriginal and Torres Strait Islander (Australia), and the Maori (New Zealand).

Research into Indigenous entrepreneurship is important for at least two reasons. First, there is a growing recognition and acceptance that Indigenous people are the original land and natural resource owners, resulting in the establishment of Indigenous enterprises. Second, Indigenous entrepreneurship provides the potential for unlocking economic wealth and enabling empowerment of, and prosperity for, a disadvantaged population sector. It has the potential in the long term to reduce the dependency of some Indigenous people upon welfare payments. As such, many governments see Indigenous entrepreneurship as at least a partial solution to current problems.

Developing a better understanding of differences between Indigenous entrepreneurship and non-Indigenous entrepreneurship can lead to more appropriate, culturally sensitive, entrepreneurial education, training, and development programs that reflect an economic development approach desired by Indigenous communities. Thus,
where entrepreneurship from a non-Indigenous perspective is focused upon the commercialization of innovation. Indigenous entrepreneurship is associated with creating, managing, and developing new ventures by Indigenous people for the benefit of Indigenous people (Hindle and Lansdowne 2005). Entrepreneurial benefits to Indigenous people may extend from economic profits for the individual to multiple social and economic advantages for entire communities. Underpinning these benefits are strong desires for self determination and the preservation of heritage (Anderson 1999; Hindle and Lansdowne 2005). Indigenous people prefer to develop entrepreneurial strategies originating in, and controlled by, the community (Anderson et al. 2004) and with the sanction of Indigenous culture (Robinson and Ghostkeeper 1987).

MODEL DEVELOPMENT

Gartner (1985) presents a conceptual framework for describing new venture creation that integrates four major perspectives in entrepreneurship: characteristics of the individual starting the venture, the organization they create, the environment surrounding the new venture, and the process by which the new venture is created. This conceptual paper is aligned with the first and third perspectives. It adopts an inclusive definition of entrepreneurship that also encapsulates a broad interpretation of cultural effects (Hayton, George, and Zahra 2002). Figure 1 provides an overview of the cultural model of Indigenous entrepreneurial attitude. This identifies culture as a contextual variable that influences entrepreneurial attitude. Entrepreneurial attitude, in turn, precipitates new venture creation and development behavior.

![Diagram of Cultural Model of Indigenous Entrepreneurial Attitude](image)

Although there are other possible variables that may influence entrepreneurial attitude and behaviors, we focus on the influence of culture on entrepreneurial attitude and behavior. Individual ethnicity affects attitude and behavior (Baskerville 2003) and culture reflects particular ethnic, social, economic, ecological, and political complexities in individuals (Mitchell et al. 2002a). Thus, cultural environments can produce attitude differences (Baskerville 2003) as well as entrepreneurial behavior differences (North 1990; Shane 1994).

Culture

Culture is the collective programming of the mind that distinguishes people included in one category from another (Hofstede 1989). Category of people is defined widely and includes an ethnic group such as an Indigenous group. Culture can also be viewed as a collective mental knowledge developed by a group of people exposed to a similar context (Geertz 1973; Reckwitz 2000; Schatzki and Natter 1996). The collective mental knowledge concerns the way societies or communities organize knowledge and social behavior (Kroeber and Kluckhohn 1952).

Hofstede (1980) measures culture in terms of the following dimensions: Power Distance, Individualism-Collectivism, Uncertainty Avoidance, and Masculinity-Femininity. Hofstede subsequently added an additional dimension based on a questionnaire designed by Chinese scholars (The Chinese Culture Connection 1987). This dimension examines Confucian Dynamism that reflects long term versus short term orientation. Although there are alternate models and perspectives of culture available (e.g., Kluckhohn and Strodtbeck 1961; Parsons and Shils 1951; Trompenaars 1985, 1993), these do not diminish the attractiveness of Hofstede’s indices (Baskerville

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Criticisms have been leveled at Hofstede’s work (e.g., Baskerville 2003; Child 1981; Roberts and Boyacigiller 1984) but no other empirically based country cultural orientation framework is as parsimonious (McGrath et al. 1992a) or as central to business and management (Chapman 1997).

Hofstede’s (1980) dimensions provide a useful basis for framing propositions and measuring culture in an Indigenous context. These dimensions appear to encapsulate the core value differences between Indigenous and non-Indigenous communities (Redpath and Nielsen 1997). Hofstede (2001) acknowledges that cultural differences are pervasive across nations and communities and that many cultures can exist within a nation. Australia, for example, is a separate nation with at least 573 distinct Indigenous cultures (Murdoch 1963). Similar parallels can be made in other nations (O’Leary and Levinson 1991) such as the USA - 147 Native American cultures and nine North American folk cultures, the Middle East - 35 different cultures across 14 nations, Africa - 98 different cultures identified in 48 countries, and in Western Europe - 81 cultures in 32 countries (Baskerville 2003). Thus, since culture influences attitudes and behavior, there is a compelling need to incorporate culture in Indigenous entrepreneurial attitude theory.

Some researchers believe that certain perceptions and beliefs among entrepreneurs transcend cultures while other beliefs and values may be more culture or ethnic specific (Busenitz and Lau 1996). McGrath, MacMillan, and Scheinberg (1992), for example, identified a predictable set of values among entrepreneurs from across eight countries. Based on Hofstede’s (1980) original dimensions, they found that (non-Indigenous) entrepreneurship is associated with low collectivism/high individualism, high power distance, low uncertainty avoidance, and low femininity/high masculinity.

Antithetically, Redpath and Nielsen (1997) identify the following Indigenous cultural dimensional weightings contingent upon the strength of cultural values and practices within particular Indigenous communities: high collectivism/low individualism; low power distance; low uncertainty avoidance; and high femininity/low masculinity. The Confucian Dynamism dimensional weighting is absent from this list because it was considered least relevant and most difficult to apply (Redpath and Nielsen 1997).

Table 1 highlights the differences between the profile of Indigenous communities (Redpath and Nielsen 1997) and the profile of non-Indigenous entrepreneurs (McGrath, MacMillan, and Scheinberg 1992). Uncertainty Avoidance is the only cultural dimension that has a common directional weighting in both groups. Other directional weightings are at opposite ends of the spectrum.

**TABLE 1**

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<tr>
<td>Individualism/Collectivism</td>
<td>High Collectivism/Low Individualism</td>
<td>Low Collectivism/High Individualism</td>
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<tr>
<td>Power Distance</td>
<td>Low Power Distance</td>
<td>High Power Distance</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>Low Uncertainty Avoidance</td>
<td>Low Uncertainty Avoidance</td>
</tr>
<tr>
<td>Masculinity/Femininity</td>
<td>High Femininity/Low Masculinity</td>
<td>Low Femininity/High Masculinity</td>
</tr>
<tr>
<td>Confucian Dynamism</td>
<td>Difficult to apply – Distinctions between the two ends of the scale are unclear and can be contradictory</td>
<td>Did not include in their analysis</td>
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Because of strong Indigenous cultural influences on Indigenous entrepreneurs, it can be expected that any set of common Indigenous entrepreneurial values will reflect, and be subordinate to, Indigenous cultural values. Thus, there will be no significant difference between Indigenous cultural values and Indigenous entrepreneurial values—they will be “as one”. Put another way, if there are no significant differences between Indigenous cultural values and Indigenous entrepreneurial values, then there will be no cultural value differences between Indigenous entrepreneurs and Indigenous non-entrepreneurs.

P1: There will be no difference on the individualism/collectivism cultural dimension between Indigenous entrepreneurs and Indigenous non-entrepreneurs.

P2: There will be no difference on the power distance cultural dimension between Indigenous entrepreneurs and Indigenous non-entrepreneurs.

P3: There will be no difference on the uncertainty avoidance cultural dimension between Indigenous entrepreneurs and Indigenous non-entrepreneurs.

P4: There will be no difference on the masculinity/femininity cultural dimension between Indigenous entrepreneurs and Indigenous non-entrepreneurs.

Entrepreneurial Attitude

Attitude is the predisposition to respond in a generally favorable or unfavorable manner with respect to the object of the attitude (Ajzen 1982; Rosenberg and Hovland 1960; Shaver 1987). Models such as the theory of reasoned action (Fishbein and Ajzen 1975) and the theory of planned behavior (Ajzen 1985) use attitude (as well as social norms and perceived behavioral control) as behavior prerequisites via intentions to perform particular behaviors. Following in the footsteps of other researchers (Breckler 1984; Epstein 1984; Khandwalla 1977; Miller and Friesen 1983), Robinson et al. (1991) presented attitude theory as a credible alternative to the less supported trait and demographic approaches to study entrepreneurs (Carsrud and Johnson 1989; Carsrud, Olm, and Eddy 1986). Validated measurement scales based on attitude theory and designed to be used by entrepreneurship researchers have been developed. These include scales to measure entrepreneurial attitude orientation or EAO (Robinson et al. 1991) and entrepreneurial opportunity recognition or EOR (McCline, Bhat, and Baj 2000).

Earlier theory developed around entrepreneurial attitude does exist (e.g., Gasse 1985; Greenberger and Sexton 1987). Some of the earlier entrepreneurship attitude research, however, suffers from two fundamental weaknesses (Robinson, Stimpson, Heufner, and Hunt 1991). First, the research was rarely based on existing attitude theory. Second, in developing their instruments, many researchers did not follow standard scale development and validation procedures. The EAO and EOR research overcomes these weaknesses through being developed upon a strong attitude theory base with appropriately developed and validated instruments. Both of these scales have been successful to various degrees in discriminating between entrepreneurs and non-entrepreneurs.

Entrepreneurial Attitude Orientation (EAO) - The EAO scale was specifically designed to measure and predict entrepreneurship. Attitudes exist at general and specific levels. Measuring attitude specificity, such as entrepreneurial attitude, requires measurement specificity (Ajzen 1982; Ajzen and Fishbein 1977; Ajzen and Madden 1986); that is, the measurement instrument needs to be designed for the specific attitude task. Attitude toward achievement generally is not the same as attitude toward entrepreneurial achievement (Robinson et al. 1991).

The EAO scale is based on a tripartite attitude model: affect; cognition; and conation (Robinson et al. 1991). Entrepreneurial attitude change can occur by influencing thoughts, feelings, and behavioral intentions toward innovation, achievement, self-esteem, and personal control (Robinson et al. 1991). Innovation involves perceiving and acting upon business activities in new and unique ways, achievement is associated with business start-up and growth results, self-esteem includes self-confidence and perceived competency of individuals regarding their business affairs, and personal control involves individual perceptions of control and influence over business affairs.
Entrepreneurial Opportunity Recognition (EOR) - As entrepreneurship theory evolved, McCline, Bhat, and Baj (2000) identified “shortcomings” in Robinson, Stimpson, Huefner, and Hunt’s (1991) EAO scale. These shortcomings were in terms of failing to include risk perception and opportunity recognition measures in the EAO scale. Risk perception and opportunity recognition did not feature as prominently in earlier entrepreneurship theory when the EAO scale was first developed and, hence, Robinson et al. (1991) did not include these EAO scale dimensions. As a result, McCline, Bhat, and Baj (2000) looked to build upon and expand Robinson, Stimpson, Huefner, and Hunt’s (1991) attitude research. They replicated the Robinson et al. (1991) attitude theory approach and included risk taking and opportunity recognition measures. McCline, Bhat, and Baj’s (2000) rationale for including risk taking and opportunity recognition constructs in the EAO scale was to develop a more comprehensive EAO measure. Their risk subscale, however, was not satisfactory from an attitudinal perspective though their entrepreneurial opportunity recognition subscale demonstrated promise in capturing attitude toward an entrepreneurial opportunity.

In both studies, there was a focus on identifying entrepreneurs from non-entrepreneurs. Those participants identified as having a greater entrepreneurial attitude tended to be entrepreneurs. Those with a lesser entrepreneurial attitude tended to be non-entrepreneurs. It is not clear, however, whether the entrepreneurial attitudes associated with entrepreneurs manifest themselves in individuals and then cause them to become entrepreneurs or whether entrepreneurial attitudes subsequently develop as a result of becoming entrepreneurs (McCline, Bhat, and Baj 2000).

Culture and Entrepreneurial Attitude - Indigenous entrepreneurship is different from non-Indigenous entrepreneurship (Hindle and Lansdowne 2005). Self-determination and the preservation of heritage are integral parts of Indigenous entrepreneurship. If heritage and culture do not feature as important issues in the development of Indigenous ventures, then this may not be Indigenous entrepreneurship – even if there is Indigenous ownership and/or involvement (Hindle and Lansdowne 2005). Indigenous values and thinking are holistic; thus, Indigenous success is measured in terms of various interrelated economic and non-economic dimensions (Dumont 1993; Foley 2003). Individual autonomy, also, is overshadowed by the range of Indigenous stakeholders who must be accounted to (Hindle and Lansdowne 2005). The family, the extended family, Indigenous elders and leaders, community opinion, as well as other Indigenous cultural values and practices all play a role in influencing individual attitudes. For these reasons, Indigenous entrepreneurship must be viewed within an Indigenous cultural context and Indigenous culture will shape Indigenous entrepreneur attitudes.

P5: There will be a relationship between culture and the entrepreneurial attitude of Indigenous entrepreneurs.

Culture and the Achievement EAO Dimension – Indigenous values have the propensity to clash with establishing and developing business ventures where there is a pre-occupation with firm growth for growth’s sake and where entrepreneurial achievement and success is measured in terms of economic objectives only. Indigenous values are often seen as barriers to economic development. Having a different time orientation, being disinclined to compete, having consensual decision making, and putting family first are complex issues that do not necessarily sit easy with modern entrepreneurship (Anders and Anders 1986; Dacks 1983; Dana 1996a,b; Redpath and Nelson 1997).

Indigenous communities rate high on Hofstede’s (1980) femininity dimension and are more likely to emphasize quality of life (Redpath and Nielsen 1997). In contrast, masculine cultures tend to give a high priority to work over other aspects of life (Hofstede 1993). Thus, achievement will be measured differently in non-Indigenous and Indigenous societies. From a western non-Indigenous perspective, achievement will be measured in terms of quantity of work. From an Indigenous perspective, achievement will be measured in terms of quality of life. Thus, Indigenous entrepreneurial attitudes toward achieving the quantity of work required in new venture creation and development will appear low.

P6: Indigenous entrepreneurs will demonstrate low levels of the EAO dimension – achievement.
Culture and the Innovation EAO Dimension – Indigenous communities reflect low uncertainty avoidance (Redpath and Nielsen 1997). Low uncertainty avoidance has been associated with the potential for innovation (Hofstede 1993) which, in turn, is associated with the generation of ideas. Tolerance of ideas is an Indigenous cultural value that is conducive to adaptation and changing circumstances (Redpath and Nielsen 1997). In Indigenous communities, however, where community harmony is paramount, the acceptance of new ideas, change, and progress that threaten cultural values and practices is avoided (Redpath and Nielsen 1997). As such, any innovative ideas for developing businesses that do not conform to Indigenous cultural norms (e.g., that do not have a collective focus, that are not consistent with self-determination, and that are not harmonious with the preservation of heritage) may not be tolerated by the community and may be suppressed. Thus, even though successful Indigenous entrepreneurship can occur without compromising traditional values (Anderson 1995; Redpath and Nielsen 1997), cultural influences will restrict innovation to developing and acting upon new and unique business activities that only conform to cultural norms. Any business innovation contemplated outside cultural norms will not feature strongly in Indigenous thinking. As such, Indigenous entrepreneurial attitudes toward innovation will be restricted and will appear low.

P7: Indigenous entrepreneurs will demonstrate low levels of the EAO dimension – innovation.

Culture and the Personal Control EAO Dimension – Collectivism is a key distinguishing cultural feature of Indigenous communities. In Indigenous communities, emphasis is placed on personal relationships while maintaining group harmony (Redpath and Nielsen 1997). As such, individual control will be subordinate to higher level collective influences. Individual autonomy and personal control are important, but only in terms of how they benefit the community (Redpath and Nielsen 1997). Thus, personal control and influence over a business will be replaced with family, extended family, and community control and influence. Entrepreneurial attitude personal control levels in Indigenous entrepreneurs, therefore, will appear low due to communal tendencies (Redpath and Nielsen 1997).

P8: Indigenous entrepreneurs will demonstrate low levels of the EAO dimension – personal control.

Culture and the Self-Esteem EAO Dimension – Indigenous people are often disadvantaged and Indigenous entrepreneurship provides a way forward. Globally, Indigenous entrepreneurial activity is increasing; however, these enterprises are relatively few per capita of Indigenous populations compared to non-Indigenous entrepreneurial enterprises. This may be a function of high unemployment levels, high welfare dependencies, low socio-economic positions, few marketable skills, low work experience levels, discrimination and prejudice, and poor housing conditions (Anderson 2002; Foley 2003). Although initiatives are being undertaken to rectify these situations, these negative influences undermine Indigenous social and economic activities. As such, self-confidence, self-esteem, and perceived or actual competency to establish and/or develop successful businesses will be undermined and, by western non-Indigenous standards, entrepreneurial self-esteem will appear low.

P9: Indigenous entrepreneurs will demonstrate low levels of the EAO dimension – self-esteem.

Culture and EOR – Opportunity recognition is a key component of the entrepreneurship process (Schumpeter 1971; Kirzner 1973, 1979; Shane and Venkataraman 2000). Entrepreneurs find and exploit opportunities by taking advantage of economic disequilibria by knowing or recognizing things that others do not (Kirzner 1973). Individual knowledge differences, cognitive differences, and behavioral differences help to explain why some individuals recognize opportunities while others do not (Venkataraman 1997).

In Indigenous cultures, opportunity recognition will tend to be community focused and will be based upon feminine intuitive decision making and consensus styles. The collectivism of Indigenous cultures ensures that Indigenous entrepreneurial businesses mirror and progress community objectives (Redpath and Nielsen 1997). This collectivism, in conjunction with an holistic approach to Indigenous problem solving, influences the way Indigenous organizations interact with the environment, the organizational interface that is open to environmental
forces, and the way in which business success is measured through economic and non-economic criteria (Redpath and Nielsen, 1997). What constitutes an opportunity from an Indigenous perspective (one that benefits the community in terms of economic and non-economic returns) will differ from what constitutes an opportunity from a non-Indigenous perspective (where the focus is on economic returns to the individual entrepreneur and shareholders). Thus, Indigenous entrepreneurial attitudes toward opportunity recognition will differ from non-Indigenous entrepreneurial attitudes. From an individualistic non-Indigenous perspective, Indigenous entrepreneurial attitudes toward opportunity recognition will appear low. It is not the case that Indigenous entrepreneurs cannot recognize opportunities, it is simply that they look for a “different” community oriented opportunity type – and this may not be regarded as an opportunity by western non-Indigenous standards. If Indigenous entrepreneurs adopt a more western individualistic approach to recognizing and exploiting opportunities, they risk losing their links to their community and culture since western non-Indigenous entrepreneurial success clashes with Indigenous cultural norms (Foley 2003).

P10: Indigenous entrepreneurs will demonstrate low levels of the EOR dimension – opportunity recognition.

REFLECTING UPON THE INDIGENOUS CULTURE ENTREPRENEURIAL ATTITUDE RELATIONSHIP

The development of a cultural model of Indigenous entrepreneurial attitude can help explain differences between Indigenous and non-Indigenous entrepreneurs. Cultural values and practices are embedded in the nature and form of Indigenous entrepreneurship where the focus is on achieving both economic and non-economic objectives. Significant cultural pressures are placed on Indigenous entrepreneurs. These pressures manifest themselves in new venture creation and development behavior that involve the community at a range of levels (a sense of collective individualism), that contribute toward self-determination while incorporating heritage, and where cultural values are an inextricable part of the very fabric of these ventures. Thus, the Indigenous “team” involved in new venture creation and development may involve not only the entrepreneur and the business’ entrepreneurial team but also the entrepreneur’s family, extended family and/or the community. Thus, in Indigenous businesses, there are more stakeholders involved than compared with non-Indigenous (non-family or family) businesses.

Indigenous businesses, therefore, can be regarded as more complex than non-Indigenous businesses and this complexity needs to be reflected in defining entrepreneurship from an Indigenous perspective. Based upon the work undertaken by Neubauer and Lank (1998), Figures 2A, 2B, and 2C provide insights into the complexity associated with Indigenous and non-Indigenous non-family and family business ventures. Neubauer and Lank’s (1998) framework is useful for considering the relationships between business owners, managers, and directors.

In Figure 2A, which depicts a non-Indigenous non-family business, the CEO who would hold the role in Position 7 faces “managing all seven sets of roles in a synergistic manner in pursuit of the business’ mission and objectives” (Neubauer and Lank 1998, p.14). Figure 2B portrays a non-Indigenous family business with the CEO in Position 14. Here, one extra dimension is added to the business – the family. This more than doubles the number of roles to be managed by the CEO. Figure 2C represents an Indigenous business. In Indigenous businesses, there are both the family/extended family and community dimensions present. For a CEO in Position 22, there are 23 sets of roles to be managed in a harmonious manner. Thus, in Indigenous businesses, the number and type of relationships that need to be managed far exceeds those that need to be managed in non-Indigenous (non-family or family) businesses. This contributes to the increased complexity associated with Indigenous businesses. The CEO of an Indigenous business, for example, may hold a different opinion from the family/extended family and community involved in the business and somehow needs to reconcile views and gain consensus. Thus, the interactions of family/extended family and community with the entrepreneurial management team, owners, and board of directors in Figure 2C lead to challenges unique to Indigenous businesses. Indigenous businesses, therefore, are the most complex form of business. Non-Indigenous family businesses are the second most complex form of business (cf. Neubauer and Lank 1998) and non-Indigenous non-family businesses are the least complex form of business.
FIGURE 2A

FIGURE 2B
RESEARCH IMPLICATIONS

This research has demonstrated the need to include culture in an Indigenous entrepreneur attitude model since the attitude of Indigenous entrepreneurs is influenced by Indigenous cultural values and practices. The research provides implications at both the theoretical and practical levels. From a theoretical perspective, this research is but a first step toward developing a more encompassing and holistic cultural entrepreneurial attitude model that is inclusive of both Indigenous nascent and existing entrepreneurs. Culture, however, not only affects attitude; it also affects perception and behavior which are also relevant to the study of entrepreneurship in Indigenous settings. As such, the development of any Indigenous entrepreneurship models that focus on such variables need to reflect an Indigenous cultural context.

From a practical perspective, some training intervention programs developed to encourage entrepreneurship in the community have a western non-Indigenous orientation. Attempts to implement intervention programs into Indigenous communities, “as is”, without recognizing the validity and effectiveness of existing social and organizational structures, are destined to fail (Blunt and Warren 1996). To train people, you need to first understand their cultural values, history, and way of thinking (Dana 2001). Cultural values and practices need to be reflected in the content, delivery, and marketing of such programs. It cannot be assumed that similar entrepreneurship levels can be achieved in various cultural environments; thus, alternate methodologies may be required to ensure program effectiveness in different environments (Dana 2000, 2001).

FUTURE RESEARCH DIRECTIONS

Testing the Propositions Generated - Having generated a number of propositions in this paper, the question arises as to how these could be tested? One way would be to introduce to an Indigenous community an extensive Indigenous entrepreneurship training and incubation intervention. Participants would be administered a questionnaire prior to and at the completion of the intervention. This will provide insights into research questions
raised. Replicating the research in different Indigenous communities will assist in evaluating the generalizability of the results.

**Cultural Influences on Entrepreneurial Attitude in Other Communities** - The propositions developed in this research were framed in terms of Indigenous entrepreneurs where Indigenous culture has a significant influence on Indigenous entrepreneur attitude. Most entrepreneurial attitude research to date has had a western non-Indigenous focus and the case was made for differentiating between non-Indigenous and Indigenous cultural contexts. A similar argument can be made for differentiating between western and eastern cultural contexts (e.g., Holt 1997). Entrepreneurial attitude theory developed in the west may not necessarily transfer – “as is” - to the east. Just as Chinese scholars found the need to add an additional time-oriented cultural dimension to Hofstede’s (1980) original cultural dimensions, future research needs to investigate the influence of eastern cultural values and practices upon entrepreneurial attitude.

**Measuring Indigenous Entrepreneurship using Western Non-Indigenous Scales** - If Indigenous cultural values have the tendency to override Indigenous entrepreneurial values to the extent that Indigenous entrepreneurship differs from non-Indigenous entrepreneurship, does this make Indigenous entrepreneurs any less than non-Indigenous entrepreneurs? It is how entrepreneurship is measured, including the scale items used, that differ.

From a western non-Indigenous perspective, entrepreneurship focuses on identifying exceptional business opportunities that lead to rapid growth, increased net assets, and increased share prices. From an Indigenous perspective, economic objectives form only a part of the success measurement scales and non-economic objectives may be at least as, or more important than, economic objectives. Thus, using western non-Indigenous measurement scales to measure Indigenous entrepreneurship may result in differing scale results compared to western non-Indigenous entrepreneurship results since we are not comparing “apples with apples”. Thus, western non-Indigenous scales may be inappropriate for measuring Indigenous entrepreneurship since Indigenous entrepreneurship measures are more holistic – both economic and non-economic - whereas non-Indigenous entrepreneurship measures tend to be less holistic - primarily economic.

As such, it may be timely to investigate whether entrepreneurial attitude theory needs to be reviewed and/or adapted for Indigenous entrepreneurs given the differing nature of Indigenous entrepreneurship. Should self-determination, heritage orientation, and/or other inherent Indigenous values, for example, feature in the entrepreneurship measurement scales that underpin entrepreneurial attitude theory when Indigenous entrepreneurial attitude is being examined? Alternatively, should these dimensions be included in a separate scale so as to measure the pervasiveness of Indigenous culture levels in Indigenous individuals. Can we expect, for example, similar embedded culture levels in an Indigenous person who has been urbanized in the city for generations as someone who lives, and whose family has always lived, in an Indigenous community in the country on traditional lands? We need to have a better understanding of how culture in these differing circumstances manifests itself in influencing entrepreneurial attitude.

**Treating Indigenous Communities as Homogeneous** - Finally, Indigenous culture across all Indigenous communities has been treated somewhat “generally” in this research. There is a need for a taxonomic approach to examine Indigenous culture on a community basis to determine whether some Indigenous communities are more entrepreneurial than others and, if so, what are the distinguishing features of these cultures as compared to cultures associated with less entrepreneurial Indigenous communities.

**CONCLUSION**

Research into Indigenous entrepreneurship is at an embryonic stage. There is a growing research interest in the area and an increasing recognition that Indigenous entrepreneurship is somewhat different. Mainstream entrepreneurship theory needs to be able to accommodate its idiosyncrasies. Culture pervades Indigenous entrepreneurship. This provides an additional layer of complexity for the entrepreneurship paradigm. There is a growing need to understand more about Indigenous entrepreneurship and how it parallels and diverges from non-
Indigenous entrepreneurship. The model developed in this research contributes toward this understanding by attempting to explain cultural effects on Indigenous entrepreneur attitude. This provides an important foundation for those who want to learn more about Indigenous entrepreneurship, who want to encourage it, and who want to understand how to avoid Indigenous entrepreneurial failure.

REFERENCES


