

The Effects of Cultural Leadership Ideals on Individuals Entrepreneurship

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Problematic & Research Questions

Entrepreneurial Culture

What is the Role of Culturally Endorsed Implicit Leadership Theories (CLTs) on Individual Entrepreneurship?

Literature Review

- The aim of the research is how cultural leadership ideals can be integrated in entrepreneurship and being an important factor and booster
- The verification if there is a significant relationship between the variables

Research Context

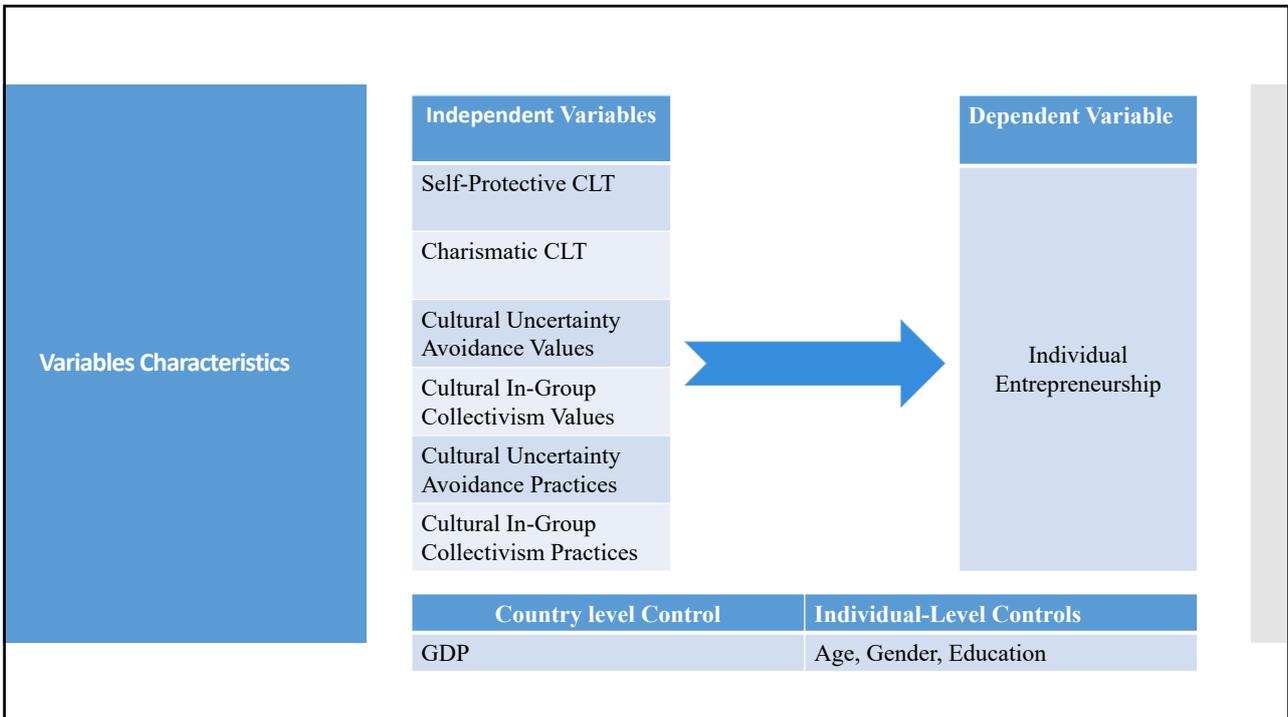
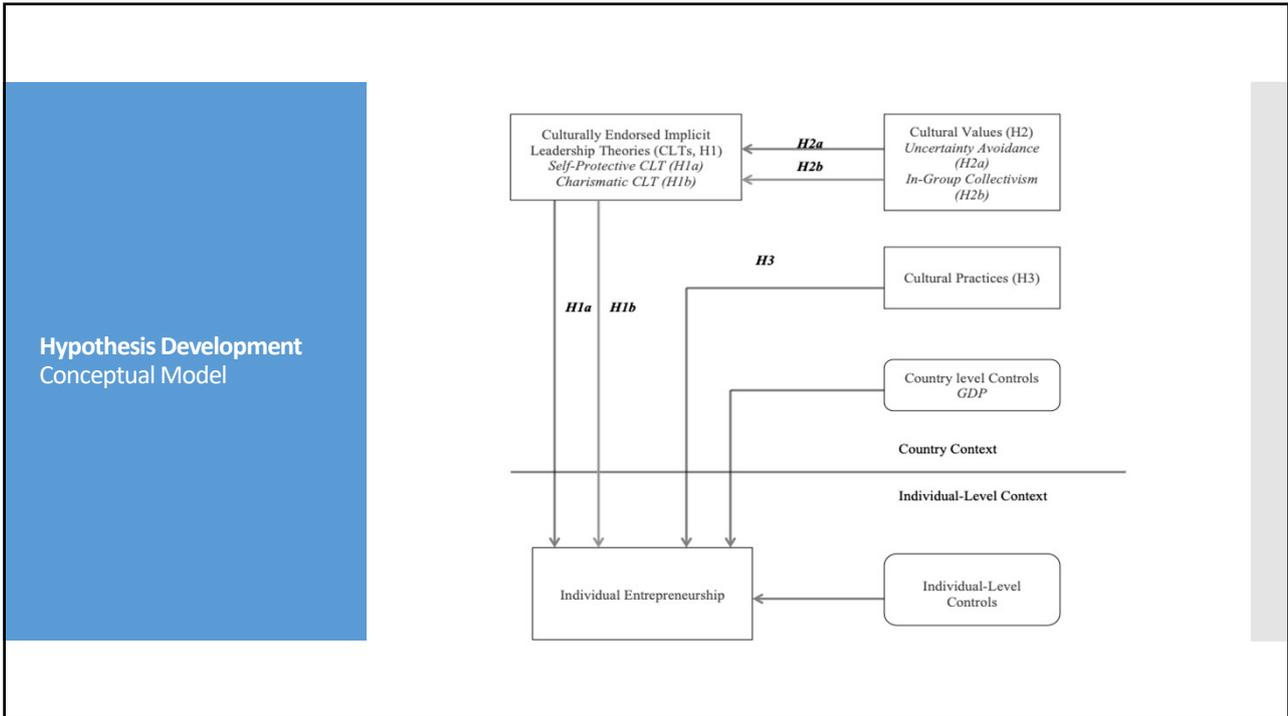
- Culturally Implicit Leadership Theory: Individuals holding beliefs systems, prototypes or stereotypes about what constitutes “good leadership”

CLTs	Cultural Values
Self-Protective	Uncertainty Avoidance
Charismatic	In-Group Collectivism
Cultural Practices	

- Entrepreneurship is associated to starting a new venture in any field in the market
- Entrepreneurship leads to job creation and economic growth and is characterized as an important type of leadership

Research Context

- Entrepreneurship in Lebanon has increased and also Lebanese entrepreneurs exist abroad
- Lebanon falls into charismatic and self-protective CLTs dimensions
- Lebanon is mostly known for collectivism, coming from the in-group of traditions
- Lebanon is known for its uncertainties
- Lebanese cultural practices are diversified



Research Design
Data Collection
Sampling Method
Data Treatment

- Quantitative Approach and 2018 Year of Observation
- Primary Data: Cultural Leadership Ideals of Entrepreneurship
- Structured questionnaire; Close-ended questions
- Secondary Data: GDP of Lebanon
- Random Sampling Method
- Population: Lebanese Individual Entrepreneurship
- Sample Size: 150 Lebanese Entrepreneurs / 118 Respondents (Final Sample Size) with 32 Non-Respondents: Non-Respondent Rate: 21.3%

Research Design
Data Collection
Sampling Method
Data Treatment

- Principle Component Analysis (PCA)
- KMO (Keiser-Meyer-Olkin) measure of sampling adequacy
- Bartlett's test of sphericity
- Factor analysis: Varimax rotation scheme (rotated component matrix)
- Validity of the Structural Model (convergent, discriminant, face validity)
- Reliability Analysis: measured by Cronbach's alpha
- Model Fit (Likelihood Ratio Tests, computing chi-square)
- Logistic Regression Analysis
- Structural Equation Models
- Multiple Regression

Results

- PCA Sampling Adequacy

Keiser-Meyer-Olkin of Sampling Adequacy		0.771
Bartlett's Test of Sphericity	Approx. Chi-Square	2333.011
	df	351
	Sig.	0.000

- KMO shows a good sampling adequacy
- Bartlett's test of sphericity shows that the data are suitable for reduction

Results

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.155	30.203	30.203	8.155	30.203	30.203	6.952	25.749	25.749
2	3.494	12.942	43.145	3.494	12.942	43.145	3.068	11.363	37.112
3	2.556	9.466	52.611	2.556	9.466	52.611	2.470	9.149	46.261
4	1.901	7.042	59.653	1.901	7.042	59.653	2.064	7.645	53.906
5	1.666	6.171	65.824	1.666	6.171	65.824	1.908	7.067	60.973
6	1.361	5.040	70.864	1.361	5.040	70.864	1.707	6.322	67.296
7	1.155	4.277	75.141	1.155	4.277	75.141	1.645	6.094	73.390
8	1.002	3.710	78.850	1.002	3.710	78.850	1.474	5.460	78.850
9	.720	2.666	81.516						
10	.676	2.504	84.020						
11	.538	1.994	86.014						
12	.529	1.961	87.975						
13	.448	1.658	89.632						
14	.409	1.516	91.148						
15	.343	1.272	92.420						
16	.308	1.140	93.560						
17	.289	1.071	94.631						
18	.267	.988	95.619						
19	.219	.810	96.429						
20	.186	.689	97.117						
21	.181	.672	97.789						
22	.148	.548	98.338						
23	.135	.502	98.840						
24	.106	.394	99.233						
25	.086	.319	99.553						
26	.075	.277	99.829						
27	.046	.171	100.000						

Extraction Method: Principal Component Analysis.

Results

• Rotated Component Matrix:

Components	Variables	Attributes
1	Charismatic CLT 1	Visionary, inspirational, integrity, decisive, performance oriented
5	Charismatic CLT 2	Self-sacrifice
6	Self-protective CLT 1	Status-conscious
7	Self-protective CLT 2	Face saver
2	Cultural Values 1	In-group Collectivism
4	Cultural Values 2	Uncertainty Avoidance
3	Cultural Practice 1	In-group Collectivism
8	Cultural Practice 2	Uncertainty Avoidance

Results

• Reliability Analysis:

Components	Number of Items	Cronbach's Alpha
Charismatic CLT 1	8	0.959
Cultural Values 1	4	0.869
Cultural Practice 1	3	0.870
Cultural Values 2	3	0.752
Charismatic CLT 2	2	0.856
Self-Protective CLT 1	2	0.771
Self-Protective CLT 2	2	0.669
Cultural Practice 2	2	0.519

- Self-protective CLT2 shows a satisfactory reliability
- Cultural Practice 2 shows an acceptable reliability

Results

Parameter Estimates

What is your entrepreneurial entry level? ^a	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp (B)	
							Lower Bound	Upper Bound
Nascent Entrepreneurship (presently in the process of starting a new firm)	Intercept	-.699	.316	4.897	1	.027		
	CharismaticCLT1	.217	.285	.582	1	.446	1.243	2.173
	CharismaticCLT2	-.724	.344	4.431	1	.035	.485	.951
	SelfprotectiveCLT1	.425	.282	2.279	1	.131	1.530	2.658
	SelfprotectiveCLT2	-.914	.346	6.965	1	.008	.401	.790
New Entrepreneurship (being the owner-manager of a new firm that has paid salaries and allowances in excess of three months but is no older than three years)	Intercept	-.366	.267	1.872	1	.171		
	CharismaticCLT1	.111	.276	.162	1	.687	1.118	1.922
	CharismaticCLT2	-.282	.274	1.061	1	.303	.754	1.290
	SelfprotectiveCLT1	-.030	.278	.011	1	.915	.971	1.674
	SelfprotectiveCLT2	-.367	.271	1.834	1	.176	.693	1.179
Old Entrepreneurship (being the owner-manager of a firm that has paid salaries and allowances in excess but is older than three years)	Intercept	-.186	.256	.526	1	.468		
	CharismaticCLT1	.216	.263	.676	1	.411	1.241	2.076
	CharismaticCLT2	-.019	.245	.006	1	.938	.981	1.585
	SelfprotectiveCLT1	.044	.265	.027	1	.869	1.045	1.755
	SelfprotectiveCLT2	-.662	.282	5.512	1	.019	.516	.896

a. The reference category is: Entrepreneurial Intention (the expectation of starting a firm in the next three years).

Results

- H1: Self-protective and Charismatic CLT Relationship with Individual Entrepreneurship

Entry Level of the Entrepreneur? outcome variable and Entrepreneurial intention: reference category

Individual with higher levels of self-sacrifice and face saver behavior are more likely to be individuals with entrepreneurial intentions (expecting to start a firm in the next three years) than nascent, new or old entrepreneurs

Results

Parameter Estimates

How many years are you involved in entrepreneurship? ^a		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
2-3 Years	Intercept	-.506	.249	4.133	1	.042			
	CharismaticCLT1	-.184	.274	.452	1	.501	.832	.486	1.423
	CharismaticCLT2	-.183	.268	.465	1	.495	.833	.492	1.409
	SelfprotectiveCLT1	.171	.236	.525	1	.469	1.186	.748	1.882
	SelfprotectiveCLT2	-.268	.265	1.024	1	.312	.765	.455	1.285
4-5 Years	Intercept	-1.318	.355	13.811	1	.000			
	CharismaticCLT1	.526	.280	3.526	1	.060	1.691	.977	2.928
	CharismaticCLT2	-.805	.362	4.954	1	.026	.447	.220	.908
	SelfprotectiveCLT1	.170	.301	.320	1	.571	1.186	.657	2.140
	SelfprotectiveCLT2	-.602	.354	2.881	1	.090	.548	.274	1.098
Above 5 Years	Intercept	-.697	.267	6.806	1	.009			
	CharismaticCLT1	.081	.273	.089	1	.766	1.085	.635	1.853
	CharismaticCLT2	.113	.244	.215	1	.643	1.120	.694	1.806
	SelfprotectiveCLT1	-.398	.280	2.018	1	.155	.672	.388	1.163
	SelfprotectiveCLT2	.058	.239	.058	1	.810	1.059	.663	1.692

a. The reference category is: 0-1 Years.

Results

- H1: Self-protective and Charismatic CLT Relationship with Individual Entrepreneurship

Years involved in entrepreneurship? used as an outcome variable and “0-1 years” being the reference category

Individuals with higher levels of self-sacrifice and face saver are more likely to be individuals with 0-1 year of entrepreneurship rather than individual with higher entrepreneurship experience

Individuals showing high levels of vision, inspiration, integrity, decisiveness and performance-oriented are more likely to be entrepreneurs with 4-5 years of experience than entrepreneurs with 0-1 years experience

Results

- H2: Cultural Values Relationship with Individual Entrepreneurship

Structural Equation Model

Hypothesis	Direct Effect	Indirect Effect	Decision
H2 a	-0.17 NS	0 (NS)	Not Supported
H2 b	0.22*	0 (NS)	Not Supported

* Significant at $p < \alpha = 0.05$; NS = Not Significant

- The Hypotheses (H2a/b) of cultural values and individual entrepreneurship are rejected

Results

- H3: CLTs, Cultural Values, Cultural Practices relationship and Individual Entrepreneurship

Structural Equation Model

Hypothesis	Direct Effect	Indirect Effect	Decision
H3 Uncertainty Avoidance	-0.04 (NS)	0 (NS)	Not Supported
H3 Group Collectivism	-0.05*	0 (NS)	Not Supported

* Significant at $p < \alpha = 0.05$; NS = Not Significant

- H3 is also rejected

Discussion

- The culture's ideal leadership is a subject of interest
- CLTs are more relevant to entrepreneurship compared to cultural values and practices
- It helps understand the "what" and "how" features of culture

Limitation Further Research

- Data sources limitations
- Sample size of the study
- Little knowledge of self-protective leadership
- The encouragement of future comparative research
- Research on CLTs and entrepreneurship
- The exploration of self-protective behaviors

Conclusion

- The findings showed a partially influence of CLTs on individual entrepreneurship
- Cultural values do not have a supported relationship with individual entrepreneurship
- Cultural practices present a weak relation with individual entrepreneurship

Q&A

Thank you for your attention