Culture as the Foundation of Entrepreneurial Success: Organizational and National Context

Gordana Nikčević

Faculty of Business Economics and Law,
University Adriatic,
Bar, Montenegro

Abstract

National culture is one of the factors which to a large extent affects the business of modern enterprises. Keeping in mind that entrepreneurship is the holder of business activities we should identify factors that are affecting it. The author, in his work, first gives an overview of different perspectives when it comes to defining the national culture. For the explanation of the relation between national culture and entrepreneurship, we use Hofstede's module, in other words Hofstede's dimension of national culture. In that context we analyze the effect of the national culture on entrepreneurship activities. Taking into account the demand of today's society, primarily the process of globalization and the current market, it's necessary to recognize the way in which national culture influences entrepreneurial activities and identify those dimensions of national culture that contribute in the making of positive results in entrepreneurship.

Keywords: national culture, organizationa culture, entrepreneurship, globalization, management, organizations

1. Introduction

Entrepreneurship serves as the fundamental driver of business activities, necessitating an in-depth analysis of the factors that influence its growth and development. Most scholars addressing this topic agree that the key factors affecting entrepreneurial activities include demographics, financial resources, socialization, national culture, human capital, and others. These factors vary across countries, with national culture exerting the most significant influence on entrepreneurial endeavors. The dominant values that constitute national culture differ from one country to another, leading to diverse interpretations of entrepreneurship. Therefore, cultural differences must be considered across all business functions, including marketing, management, entrepreneurship, and finance. Entrepreneurs will shape their business models and behavior according to the cultural environment, i.e., the national culture to which they belong.

The aim of this paper is to define the concepts of national culture and entrepreneurship, as well as to explore their interrelationship. National culture is measured through established models, with Hofstede's model of cultural dimensions being utilized for the purposes of this study. The paper concludes with recommendations aimed at strengthening entrepreneurial activities within organizations.

2. Cultural Dimensions and Their Implications

The cultural dimensions of national cultures are best understood through various models and studies that examine cultural differences and their impact on business. In addition to Hofstede's model (2001), Trompenaars' model (1997), the GLOBE study (2004), and Schwartz's model (1994) provide a deeper understanding of national culture. Moreover, recent

research offers insights into how cultural dimensions shape business practices in national contexts. National culture significantly influences company operations, primarily through employees. Employees bring with them specific value systems (attitudes, assumptions, and norms) and moral principles derived from their national culture. These values are deeply ingrained in individuals, starting from childhood, through education and schooling. As employees bring these cultural values to the workplace, they shape the way business processes are carried out within the organization.

One of the most influential studies on the impact of national culture on business practices was conducted by Geert Hofstede. According to his research, the dimensions of national culture within a society are as follows (Hofstede, 2001).

Individualism vs. collectivism is based on different values related to personal freedom and autonomy. Entrepreneurs in individualistic societies aim to achieve personal goals, and competition is seen as a positive driver of innovation and growth. In collectivism, social connection and teamwork play a key role. People are more focused on common goals and interests, and entrepreneurship is often viewed through the lens of social responsibility and mutual support.

Power distance refers to the degree of acceptance within a national culture for the unequal distribution of power. Power distance influences employee attitudes, particularly those of managers, toward decision-making processes. In organizations with a high power distance, authority is centralized in the hands of managers who make decisions independently, without involving employees. In companies with low power distance, power is distributed more equitably. Both managers and employees actively participate in the decision-making process.

Regarding masculine vs. feminine values, in cultures with masculine values, the focus is on achievement, competition, and material success. In cultures with feminine values, greater importance is placed on caring for others and the social status of relationships.

Uncertainty avoidance pertains to a society's level of comfort with ambiguity and risk. In cultures with high uncertainty avoidance, there is a strong aversion to change, risk-taking, and uncertainty. Employees in these cultures prefer stability and predictability. In cultures with low uncertainty avoidance, there is a greater openness to change, risk-taking, and uncertainty, with individuals being more willing to adapt to new situations.

Long-term vs. short-term orientation describes how far individuals in a culture project their future when setting plans. Cultures with a long-term orientation focus on future rewards and long-term goals, while those with a short-term orientation emphasize immediate results and focus on the present.

Having in mind these dimensions, we can say that differences in business can be noticed in different companies, and thus in the concepts of entrepreneurship. These differences are attributed to the stated dimensions of national culture. As far as these dimensions are concerned, Hofstede believes that out of all these dimensions, the hierarchical distance of power and the avoidance of uncertainty have the strongest influence. These dimensions of national culture will be used to explain the impact of national culture on entrepreneurship.

Hofstede's model (2001) provides a solid foundation for understanding the impact of national culture on entrepreneurship. However, this model requires supplementation with more contemporary approaches and additional dimensions to reflect the dynamic changes in the global business environment. One of its key limitations is the oversimplified understanding of cultures, which can lead to inaccurate interpretations of entrepreneurial behavior. Additionally, the model does not encompass all key cultural aspects, such as new technologies, globalization, and economic changes, which are important in the entrepreneurial context. Its limited flexibility further complicates the analysis of multicultural entrepreneurial environments. Therefore, while Hofstede's model provides valuable insights, it is crucial to enhance it with contemporary theories and methodologies. This will lead to a more precise understanding of the connection between national culture and entrepreneurship.

By comparing it with alternative theories, such as the GLOBE study and Trompenaars' model, additional dimensions can be derived that enable a deeper understanding of cultural influences on entrepreneurship. In this sense, Trompenaars introduces dimensions such as universalism vs. particularism and neutrality vs. affectivity, while the GLOBE model covers leadership styles, which are useful in analyzing entrepreneurial activities (Makole et al., Lee et al., 2022; Bojadjiev et al., 2023).

The GLOBE (2004) study offers numerous advantages in the research of leadership and organizational culture on a global scale. Its breadth covers a large number of countries and cultures, allowing for an in-depth understanding of the differences and similarities in managerial practices worldwide. In addition to its academic significance, the GLOBE study has broad practical applications. Its findings help companies shape more effective leadership models, improve intercultural collaboration, and make informed decisions in global business. In this way, it contributes to the development of theoretical models and encourages further research in the fields of organizational culture and management.

The GLOBE model includes more dimensions and a broader geographical area with an emphasis on leadership across cultures. This allows for a deeper understanding of cultural differences. In cultures with high power distance, entrepreneurs make centralized decisions. On the other hand, in cultures with low power distance, decisions are more collective, fostering innovation and flexibility. In individualistic cultures, entrepreneurs pursue personal goals and independence, while in collectivist cultures, entrepreneurs invest in team cooperation and social responsibility, which can improve business dynamics. Cultures that value achievement and performance favor entrepreneurs who aim for high goals and results, which is crucial for competitiveness and innovation. Entrepreneurs in cultures with high uncertainty avoidance often prefer stability and planned approaches, while in cultures with low uncertainty avoidance, they tend to take risks, which is often key for innovation and entrepreneurship. Entrepreneurs in cultures with a long-term orientation plan for the future, invest in long-term projects, while in cultures with a short-term orientation, entrepreneurs seek quicker results and more flexible business models (Tocar, 2019).

Trompenaars' (1997) model of cultural values is useful for analyzing cultural differences, especially in the context of global business. The model focuses on practical aspects such as communication styles, decision-making, and conflict resolution, making it a valuable tool for international managers. It also analyzes the balance between different values, such as individualism and collectivism, allowing for a better understanding of the contradictory aspects of cultural values within organizations. For example, in universalistic cultures, entrepreneurs apply standardized business practices and procedures, while in particularistic cultures, decisions often depend on specific situations and personal relationships. In individualistic cultures, entrepreneurs emphasize personal responsibility and encourage innovation, while collectivist cultures favor teamwork and shared goals, shaping team dynamics. Differences are also evident in communication: in neutral cultures, business communication is formal and controlled, while affective cultures favor open expression of emotions, which can contribute to a more dynamic business environment. Furthermore, in specific cultures, there is a clear boundary between business and personal life, while diffuse cultures create a stronger connection between personal and business relationships. Cultures that favor achievement value results and innovation, while cultures that value ascribed status place more importance on social position and tradition, which can influence leadership styles and decision-making. In sequential cultures, strict time organization is respected, while synchronous cultures allow flexibility and multitasking, which is beneficial in a dynamic market. Finally, internally oriented cultures believe in controlling business circumstances, while externally oriented cultures aim to quickly adapt to the market, enabling agility in entrepreneurship (Tocar, 2019; de Groot, 2021; Ziliute, 2024).

Schwartz's (1994) model of cultural values is comprehensive and inclusive, encompassing ten basic values grouped into four broader dimensions: openness to change, conservation, self-direction, and dominance. The model is based on research conducted in over 70 countries, making it widely applicable in analyzing cultural differences on a global level. It also allows for flexible application in various contexts, from business and management to education and sociological research. Moreover, the model is connected to behavior and social norms, as it not only identifies values but also analyzes how they shape specific attitudes and behaviors, allowing for a more precise assessment of cultural differences in everyday situations.

In the context of entrepreneurship, Schwartz's model is used to analyze values that shape business practices and entrepreneurial strategies. Cultures that favor the common good encourage socially responsible entrepreneurship, while achievement emphasizes personal success, motivating entrepreneurs to pursue innovation and competitiveness. Openness to change vs. conservation: Cultures that favor openness encourage entrepreneurs to recognize new opportunities and innovation, while conservation favors stability and traditional business practices. Universalism vs. tradition: Cultures that lean towards universalism favor ethical, global entrepreneurship, while tradition emphasizes the preservation of existing norms and business methods. Finally, stability vs. excitement: Cultures that value stability prefer secure business models, while excitement encourages entrepreneurs to seek challenges and innovative opportunities (Ergashev & Farxodjonova, 2020; Schwartz, 2011).

The study "The Impact of National Culture on Innovation" (2022) analyzes the impact of national culture on innovation and entrepreneurship using Hofstede's dimensions. The results show that a country's economic status has a greater influence on innovation and entrepreneurship than cultural factors. In developing countries, without adequate support systems, changes in culture will not significantly enhance innovation and entrepreneurial initiatives (Espig et al., 2021).

The study "Student Entrepreneurship in Serbia" (2021) analyzes the role of universities in developing entrepreneurial skills and motivating students for entrepreneurship. It highlights the need for integrating entrepreneurship programs and mentorship support to encourage the entrepreneurial spirit among young people (Gaković et al., 2021).

Gardašević et al. (2020) and Ilić (2018) investigate entrepreneurship in Serbia, focusing on its connection with

national culture and its role in economic development. Gardašević et al., analyze the impact of cultural values on entrepreneurship, while Ilić explores the challenges faced by entrepreneurs and their importance for the economy.

In his research "Market Economy and Business Culture: Germany and Japan," Maksimović (2021) analyzes how national culture impacts business practices in Germany and Japan, emphasizing its importance for the economies of these countries.

The following table presents the key dimensions according to the models of Hofstede (2001), GLOBE (2004), Schwartz (1992), and Trompenaars (1997), highlighting the cultural differences that influence business and social practices. The table shows how the dimensions align across the models, with some being common while others are specific to particular theories.

Table 1. Comparative Analysis of Cultural Dimensions

Dimension	Hofstede	GLOBE	Schwartz	Trompenaars
Power Distance	High/low difference	Differences in power distance	Authoritarianism vs. Egalitarianism	Individualism vs. Collectivism
Individualism vs. Collectivism	Individualism vs. Collectivism	Individualism vs. Collectivism	Autonomy vs. alignment	Individualism vs. Collectivism
Uncertainty Avoidance	High/low	Stress and uncertainty	Alignment vs. change	Differentiation vs. harmony
Masculinity vs. Femininity	Maskulinitet vs. feminitet	Maskulinitet vs. feminitet	Realizacija vs. usklađenost	Achievement vs. relaxation
Long-Term vs. Short-Term Orientation	Long-Term orientation	Long-Term orientation	Not directly included"	Traditionalism vs. progressivism"
Indulgence vs. Restraint	Not directly included	Not directly included"	Hedonism vs. abstinence"	There is no direct corresponding dimension

Source: Author, based on Hofstede (2001), GLOBE (2004), Schwartz (1994), Trompenaars (1997).

3. Entrepreneurship and Its Characteristics

Entrepreneurship is the process of creating, developing, and managing new business ventures with the aim of generating profit or creating a social impact. Entrepreneurs are individuals who recognize business opportunities, take on risks, and utilize available resources to transform innovative ideas into successful ventures. In today's dynamic global economy, entrepreneurship plays a critical role in driving innovation, economic growth, and job creation (Zacharakis, 2020).

The key characteristics of entrepreneurship provide a framework for understanding what makes successful entrepreneurs stand out. These characteristics guide entrepreneurs in navigating the challenges they face and help them capitalize on opportunities that lead to sustainable business success.

Innovation is at the core of entrepreneurship. Entrepreneurs are not merely involved in business as usual; they seek to create something new and valuable. This can include the introduction of a novel product, service, or technological advancement that addresses market needs in a way that existing solutions do not. Innovation may also come in the form of new business models, such as the shift from traditional retail to online commerce or the introduction of subscription-based services. Innovation is essential because it allows businesses to differentiate themselves from competitors, attract customers, and create a lasting impact on their industry. A focus on innovation encourages continuous improvement and adaptability, as entrepreneurs must constantly evaluate and refine their offerings to meet evolving customer demands and market conditions.

Entrepreneurship involves inherent risk, making it distinct from other forms of business activity. Entrepreneurs must be willing to take calculated risks—whether financial, operational, or market-based—in order to bring their ideas to life. The risk is multifaceted and can include the possibility of financial loss, market failure, or the inability to meet customer expectations. However, successful entrepreneurs do not view risk as something to avoid but as an opportunity to experiment, learn, and grow. They manage risk through careful planning, market research, and by leveraging their networks and resources. By being risk-aware and developing strategies to mitigate uncertainty, entrepreneurs can make informed decisions that help them navigate volatile business environments. Risk is not only financial but also psychological and emotional, as entrepreneurs often face pressure, long hours, and the stress of managing a new venture. Managing these aspects of risk requires resilience, emotional intelligence, and a positive mindset.

Proactivity refers to an entrepreneur's ability to take initiative and act before problems arise or opportunities are lost. Rather than waiting for circumstances to dictate their actions, entrepreneurs are self-motivated to make things happen. This proactive mindset allows entrepreneurs to anticipate challenges, adapt to market shifts, and seize opportunities as they emerge. Proactive entrepreneurs are often better positioned to identify gaps in the market and find creative solutions that give them a competitive edge. They embrace change and view obstacles as opportunities for growth rather than setbacks. Proactivity also extends to networking, partnership building, and market expansion, as entrepreneurs actively seek ways to improve their business and stay ahead of trends.

Vision is perhaps one of the most crucial qualities for entrepreneurial success. A clear vision gives direction and purpose to an entrepreneur's efforts, enabling them to make strategic decisions that align with their long-term goals. This vision is often driven by a desire to solve a problem, make a positive impact, or introduce something groundbreaking to the market. A well-defined vision also serves as a motivating force, not just for the entrepreneur, but also for their team and stakeholders. It provides a sense of purpose that inspires innovation and collaboration. Entrepreneurs who can effectively communicate their vision can attract like-minded individuals to their cause, whether that's employees, investors, or partners. The ability to adapt the vision over time in response to new information or changing circumstances is also a key aspect of successful entrepreneurship. Flexibility and openness to feedback are essential for refining the original vision and adjusting it to real-world conditions.

Entrepreneurs must learn to make the most of the resources available to them, especially in the early stages of a business when capital, manpower, and other assets are limited. Effective resource management can mean the difference between success and failure. Entrepreneurs are expected to optimize the use of financial, human, and technological resources to minimize costs and maximize output. Resource efficiency also involves prioritizing tasks and decisions that yield the greatest return on investment. For example, allocating limited resources toward research and development for an innovative product might be more valuable than spending excessively on marketing in the initial stages. Entrepreneurs often need to be creative in their approach to solving resource constraints, utilizing technology and leveraging partnerships to achieve economies of scale. Additionally, entrepreneurs need to be aware of how they allocate time and effort. Time management becomes a key resource in itself, and entrepreneurs must balance the demands of various aspects of their business, from strategy and planning to operations and customer relations (Malerba & McKelvey, 2019).

Sustainability has become an increasingly important consideration for modern entrepreneurs. In addition to profitability, entrepreneurs are also concerned with the long-term impact of their business on society and the environment. Sustainable entrepreneurship focuses on creating value not only for shareholders but also for stakeholders, including employees, customers, communities, and the planet. Sustainability can be integrated into various aspects of a business, including the product lifecycle, resource usage, waste management, and the ethical practices employed in day-to-day operations. Entrepreneurs who adopt sustainability principles often find that they can differentiate their products in the marketplace, particularly with consumers who prioritize environmentally friendly and socially responsible businesses. Sustainability can also translate into financial advantages, as businesses that focus on eco-friendly solutions and energy efficiency may reduce costs in the long run. Additionally, companies that align their practices with sustainable development goals can improve their brand image and attract customers who value ethical practices (Lepojević & Samardžić, 2022).

Leadership is a fundamental quality for entrepreneurs, as they must lead their organizations, teams, and projects with vision and confidence. Strong leadership is not just about directing others, but also about inspiring and motivating them to work toward common goals. Effective leaders are empathetic, communicate clearly, and create an inclusive, collaborative work environment. Entrepreneurial leadership is critical in shaping company culture, setting priorities, and making decisions that guide the direction of the business. A good leader empowers their team, helping them realize their full potential and encouraging innovation at all levels of the organization. Entrepreneurs must also be adept at navigating challenges and conflicts, whether internal or external, and be prepared to make tough decisions in high-pressure situations. Leadership is also about adaptability, as entrepreneurs must manage change effectively, whether in response to market conditions, new technologies, or shifting consumer preferences. The ability to maintain a positive, solution-oriented mindset in the face of adversity is crucial for building a resilient and successful business. Entrepreneurship is a dynamic, multifaceted process that requires a blend of creativity, resilience, and strategic thinking. Successful entrepreneurs are characterized by their ability to innovate, take calculated risks, lead with vision, manage resources efficiently, and build sustainable businesses that have a positive impact on society and the environment. While entrepreneurship presents numerous challenges, it also offers significant rewards. Entrepreneurs who are proactive, flexible, and committed to continuous learning are well-positioned to overcome obstacles and capitalize on the opportunities that arise in today's fast-paced business world. By embracing innovation, risk, and sustainability,

entrepreneurs not only create economic value but also contribute to the development of society and the improvement of global markets (Amanchukwu, 2015).

4. The Impact of Organizational Culture on Stimulating Entrepreneurial Activities in Business Organizations

Organizations is an important topic in exploring the relationship between internal values and business success. An organization with a positive, entrepreneurial culture can encourage its employees to recognize and seize entrepreneurial opportunities, innovate, take responsibility, and develop new products and services. Organizational culture plays a crucial role in shaping entrepreneurial behaviors and attitudes of employees, as well as in creating an environment that fosters entrepreneurial activities (Azizi, 2010).

Organizational culture is a set of values, norms, beliefs, behaviors, and attitudes that shape daily work and interactions within the organization. It impacts entrepreneurial activities in the following ways:

Organizations that promote innovation create an atmosphere in which employees are encouraged to come up with new ideas, explore untapped markets, and develop new products or services. An innovative culture is crucial for fostering entrepreneurial spirit, as employees believe that change is possible and that they are enabled to develop their ideas without the fear of failure (Khan, 2018; Robbins, 2013; Sotirofski & Kraja, 2024).

Entrepreneurial activities almost always involve a certain level of risk. Organizations with an entrepreneurial culture encourage their employees to see risks as opportunities for growth and development, rather than obstacles. For example, in firms with cultures that support entrepreneurship, employees are often empowered to test new products or markets, even if success is uncertain.

A culture that emphasizes employee autonomy allows them to make decisions and take responsibility for their work. This is especially important in entrepreneurial organizations where employees need the freedom to recognize new opportunities and respond quickly to market changes. Organizations that provide this kind of autonomy often create an environment where entrepreneurial activities are faster and more effective (Mullins, 2010).

Entrepreneurial culture in an organization is typically focused on long-term goals and vision. Employees in these organizations think strategically and are directed toward achieving objectives that can provide long-term value, such as developing new products, expanding into new markets, or improving existing business processes.

Entrepreneurial activities depend not only on individuals but also on teams' ability to work together. Organizations that encourage entrepreneurship often emphasize teamwork and mutual support. Employees motivated to work together on projects can develop new ideas, and the synergy between different teams often allows for faster implementation of entrepreneurial initiatives.

4.1 Ways in Which Organizational Culture Affects Entrepreneurial Activities: Case Studies of Successful Brands

Organizational culture has a significant impact on entrepreneurial activities and the ability of organizations to successfully operate in competitive industries. Different companies use specific cultural values to develop entrepreneurial strategies. Apple, Toyota, and IKEA are recognized as the most innovative brands in America, which is a result of their strong organizational culture that fosters creativity, efficiency, and long-term commitment. Apple focuses on constant innovation and exceptional product quality, Toyota applies a culture of continuous improvement (kaizen) and efficiency in all aspects of business, while IKEA invests in sustainability and focuses on practical and innovative approaches in retail. These cultures enable entrepreneurial activities that rely on constant adaptation, product quality, and sustainability.[1]

Patagonia stands out due to its organizational culture based on ecological values and responsible business practices. The entrepreneurial culture at Patagonia promotes entrepreneurial initiatives that are grounded in sustainability and social responsibility. This approach allows them to develop products that simultaneously meet market needs and support ecological goals. As a result, their business practices become more competitive and recognizable in the market. Beloved Brands. (2018).[2]

Digital Extremes fosters a positive work culture in the video game industry, emphasizing teamwork, creativity, and flexibility. This culture contributes to entrepreneurial activities by enabling rapid adaptation to market changes and

---

[1]*Yahoo Finance. (2021, July 7). Apple, Toyota, and IKEA ranked as the most innovative brands in America. Yahoo Finance. https://finance.yahoo.com/news/apple-toyota-ikea-ranked-america-130000398.html*

[2] *Patagonia: How their brand purpose goes against business norms. Beloved Brands. https://beloved-brands.com/patagonia*

innovation in game design. Focusing on a work atmosphere that encourages autonomy and innovative ideas allows the company to create products that stand out in the competitive video game industry.[3]

The organizational culture of family-owned businesses plays a key role in their entrepreneurial activities by enabling long-term stability and flexibility. Family businesses often strive to maintain cultural values that support long-term development. However, challenges such as managing generational changes can affect the ability of these companies to quickly adapt to the market. Entrepreneurial success often depends on how the culture supports innovation and community responsibility (Beckers & Ambrosini, 2021).

Dimensions of organizational culture, such as communication, interpersonal relationships, and values, directly affect entrepreneurial orientation and the ability of entrepreneurs to create and maintain competitive advantages. Organizations that promote collaboration, trust, and shared goals tend to develop more successful entrepreneurial activities because they strengthen internal resources and the ability to adapt to market changes (Krapić & Barić, 2016).

Figure 1: The Impact of Organizational Culture on Entrepreneurial Activities in Different Companies
Source: Author, based on data from Yahoo Finance (2021), Beloved Brands (2018), Digital Extremes (2024), Beckers & Ambrosini (2021), Krapić & Barić (2016).

Through examples of companies such as Apple, Toyota, IKEA, Patagonia, and Digital Extremes, it is clear how different cultural values foster innovation, sustainability, and flexibility. While technology and manufacturing companies use organizational principles to enhance efficiency and creativity, businesses with strong ecological and social values gain recognition through responsible business practices. The ability of companies to align their organizational culture with strategic goals directly impacts their long-term stability and adaptability to changes in the business environment.

5. Impact of National Culture on the Development of Entrepreneurial Activities in the Business Environment

The relationship between national culture and entrepreneurship is a complex topic in contemporary business studies, as various cultures shape specific characteristics of entrepreneurial behavior. While entrepreneurs worldwide may share some universal traits, national cultural differences lead to unique qualities that are specific to entrepreneurs from particular countries. In other words, entrepreneurship is not a universal category; it is significantly influenced by the cultural values and norms of the society in which an individual originates (Eroglu & Piçak, 2011).

Entrepreneurship within the context of different national cultures refers to the initiation and management of entrepreneurial activities in alignment with the unique norms, beliefs, and values present in the economies of different countries. Different economies are shaped by distinct beliefs and attitudes among entrepreneurs, resulting in varied forms of entrepreneurial behavior, as well as approaches to innovation and risk (Radziszewska, 2014; Eroglu & Piçak, 2011, Crnoja & Stipić, 2023). Thus, cultural differences directly impact entrepreneurial activities, a relationship best understood through the dimensions of national culture as defined by Hofstede (2001). These dimensions: masculinity vs. femininity,

---

[3] *Digital Extremes. https://www.digitalextremes.com/*

individualism vs. collectivism, uncertainty avoidance, power distance, long-term vs. short-term orientation, provide a foundation for analyzing how culture influences entrepreneurial tendencies and behavior.

Masculine values in business focus on ambition, competition, achieving high goals, and market domination, while feminine values emphasize interpersonal relationships, social responsibility, and work-life balance. Countries with "masculine" values in entrepreneurship (USA, Japan, Germany, and Australia) favor an approach that emphasizes achieving high goals, innovation, and market dominance. Countries with "feminine" values in entrepreneurship (India, Sweden, Norway, and the Netherlands) favor an approach that includes stronger social responsibility, interpersonal relationships, and balancing work and private life.

Individualism in entrepreneurship encourages personal initiative, innovation, and risk-taking. Entrepreneurs strive to achieve individual goals, make quick decisions, and experiment with new business models. Countries with high individualism, such as the USA, Canada, the UK, and Australia, favor this approach, enabling freedom in business and a greater tendency towards entrepreneurial initiatives and risk-taking. On the other hand, collectivism in entrepreneurship emphasizes common goals, teamwork, and long-term relationships within the community. Entrepreneurs rely on family and shared values, and are less inclined to take risks. Countries with strong collectivism, such as India, China, South Korea, and Japan, favor this approach, where business is often based on common goals and relationships within society and organizations.

Uncertainty avoidance is a key dimension for understanding entrepreneurial behavior. In cultures with low uncertainty avoidance, such as the USA, the Netherlands, Sweden, and Canada, entrepreneurs are more likely to take risks and experiment with new business models. These countries favor innovation and risk in business, as there is a greater willingness to accept uncertainty, which fosters entrepreneurial activities and the development of new ideas. On the other hand, in cultures with high uncertainty avoidance, such as India, Greece, Brazil, and Portugal, entrepreneurs are more cautious and seek stability and security in business. In these societies, there is a greater preference for predictability, leading to less risk-taking and favoring safe and stable investments. High uncertainty avoidance can reduce the willingness for innovation and entrepreneurial ventures that require a higher degree of risk.

Power distance, which refers to the acceptance and management of power inequalities in society, significantly influences entrepreneurial activities. In cultures with low power distance, such as the United States, Canada, and Australia, entrepreneurs have a high degree of autonomy and easier access to resources. These countries favor balance in decision-making and business relationships, which promotes the development of entrepreneurial initiatives and enables more equitable access to resources. In such societies, entrepreneurs have more freedom to make decisions and take risks. On the other hand, cultures with high power distance, such as India, China, Mexico, and Russia, have clear hierarchies and a greater concentration of power at higher levels. This leads to more centralized decision-making processes. Decisions are often made by older family members or managers, reducing autonomy at lower levels. In these societies, access to resources is limited, making entrepreneurial initiatives more challenging.

When considering the distinction between long-term and short-term orientation, countries with a long-term approach, such as China, Japan, South Korea, and India, focus on stability, long-term growth, and maintaining business relationships. Entrepreneurs in these cultures value patience and planning, making decisions that ensure long-term goals. In short-term oriented countries like the USA, Canada, the UK, and Australia, entrepreneurs aim for quick results, taking risks for fast profits. The emphasis is on competition, speed, and innovation, with business relationships being more transient. Understanding these differences helps in adapting business strategies according to cultural norms.

This comparative analysis shows how different countries influence entrepreneurship through their cultural values. The United States and countries like Canada and Australia favor individualism, low power distance, and a propensity for risk, while countries like India, China, and Brazil have a collectivist approach, high power distance, and a greater tendency to avoid uncertainty. Understanding these cultural dimensions helps in creating strategies for successful entrepreneurship in different regions (Hofstede et al., 2014).

6. Conclusion

Entrepreneurship is heavily influenced by both organizational and national culture. The interplay between the two highlights the importance of understanding how deeply ingrained values, norms, and beliefs impact entrepreneurial behaviors and the development of businesses. Hofstede's dimensions of national culture and others serve as a foundational framework for analyzing how culture shapes the entrepreneurial landscape across different regions. In addition to Hofstede's dimensions, there are other cultural dimensions that also play a key role in shaping the entrepreneurial environment. These dimensions provide further insights into how cultural values influence innovation and

entrepreneurial activities within different societies. At the organizational level, a culture that supports innovation, risk-taking, autonomy, and continuous learning is essential for fostering entrepreneurial activities. Such cultures encourage employees to experiment, take initiative, and work collaboratively to develop new ideas and seize business opportunities. Leaders play a crucial role in nurturing and maintaining this culture by promoting values that encourage entrepreneurial thinking and by creating an environment where failure is seen as a stepping stone for learning and growth.

National culture further influences the prevalence and style of entrepreneurship in different countries. Cultures characterized by high individualism, low uncertainty avoidance, and low power distance generally create a more conducive environment for entrepreneurial activities. These cultures support independent thinking, risk-taking, and equitable access to resources, all of which drive the growth and sustainability of entrepreneurial ventures.

In conclusion, understanding the relationship between culture, both organizational and national, and entrepreneurship is vital for businesses seeking to foster innovation and competitive advantage. By aligning business strategies with cultural insights and fostering an entrepreneurial culture within the organization, leaders can enhance their capacity to respond effectively to market demands and maintain long-term business growth. The integration of cultural awareness in strategic planning not only aids in business development but also contributes to economic growth and societal advancement.

References

Amanchukwu, R. N., Stanley, G. J., & Ololube, N. P. (2015). A review of leadership theories, principles, and styles and their relevance to educational management. Management, 5(1), 6-14.

Azizi, B., Hosseini, J. F., Hosseini, M., & Mirdamadi, M. (2010). Factors influencing the development of entrepreneurial education in Iran's applied-scientific educational centers for agriculture. American Journal of Agricultural and Biological Sciences, 5, 77-83.

Beckers, S., & Ambrosini, V. (2021). Organizacijska kultura obiteljskih poduzeća: Izazovi i prilike. International Journal of Entrepreneurial Behavior & Research, 27(5), 1234-1256.

Beloved Brands. (2018). Patagonia: How their brand purpose goes against business norms. Beloved Brands. Retrieved [2025, Februaru, 8], from https://beloved-brands.com/patagonia)

Bojadjiev, M., Mileva, I., Misoska, A. T., & Vaneva, M. (2023). Entrepreneurship Addendums on Hofstede's Dimensions of National Culture. The European Journal of Applied Economics, 20(1), 122-134.

Crnoja, M. T., & Stipić, D. T. (2023). Understanding Taxonomies of National Culture in the Business Environment. Mostariensia: Journal of Social Sciences & Humanities, 27(1).

de Groot, G. (2021). How Hofstede and Trompenaars models of cultural dimensions apply to global leadership. EURAC.com.

Digital Extremes. Digital Extremes. Retrieved [2025, Februaru, 7], from https://www.digitalextremes.com/

Ergashev, I., & Farxodjonova, N. (2020). Integration of national culture in the process of globalization. Journal of Critical Reviews, 7(2), 477.

Eroglu, O., & Piçak, M. (2011). Entrepreneurship, national culture, and Turkey. International Journal of Business and Social Science, 2(1), 146-155.

Espig, A., Mazzini, I. T., Zimmermann, C., & de Carvalho, L. C. (2021). National culture and innovation: a multidimensional analysis. Innovation & management review, 19(4), 322-338.

Gardašević, J., Brkanlić, S., & Kostić, J. (2020). Entrepreneurship, national culture and the Republic of Serbia. Ekonomija-teorija i praksa, 13(1).

Hofstede, G. (2001). Culture's consequences: Comparing values, behaviors, institutions, and organizations across nations. Sage Publications.

Hofstede, G., Hofstede, G. J., & Minkov, M. (2014). Cultures and organizations: Software of the mind.Third Revised Edition, McGrawHill.

Ilić, Đ. (2018). Razvoj i mesto preduzetništva u privredi Republike Srbije. Trendovi u poslovanju, 6(1), 1-10.

Khan, Y. (2018). The effectiveness of entrepreneurial activities for economic development: A route to innovation and job generation. SocioEconomic Challenges, 2(2), 32-40.

Krapić, M., & Barić, M. (2016). Dimenzije organizacijske kulture kao prediktori organizacijske odanosti. Ekonomska istraživanja, 29(1), 1-15.

Lee, H. S., Chernikov, S. U., Nagy, S., & Degtereva, E. A. (2022). The impact of national culture on innovation: a comparative analysis between developed and developing nations during the pre-and post-crisis period 2007–2021. Social Sciences, 11(11), 522.

Lepojević, E., & Samardžić, N. (2022). Environmental entrepreneurship and sustainable development. Održivi razvoj, 4(1), 7-17.

Makole, K. R., Ntshangase, B. A., & Msosa, S. K. (2023). Organizational culture and management practices at technical vocational education and training colleges. Int J Eval & Res Educ, 12(4), 2021-2036.

Maksimović, M. (2021). Tržišna ekonomija i poslovna kultura: Nemačka i Japan. Centar za poslovnu ekonomiju i preduzetništvo, Beograd.

Malerba, F., & McKelvey, M. (2019). Knowledge-intensive innovative entrepreneurship. Foundations and Trends® in Entrepreneurship, 14(6), 555-681.

Mullins, J. L. (2010). Management & organizational behavior (9th ed.). Financial Times Pitman Publishing.

Radziszewska, A. (2014). Intercultural dimensions of entrepreneurship. Journal of Intercultural Management, 6(2), 35-47.

Robbins, S., Judge, T. A., Millett, B., & Boyle, M. (2013). Organisational behaviour. Pearson Higher Education AU.

Schwartz, Shalom H. (1994) „Beyond individualism/collectivism: New cultural dimensions of values", u: Kim, Uichol i dr. (ur.) Individualism and collectivism: Theory, method, and applications, New York: Sage Publications.

Sotirofski, I., & Kraja, G. (2024). Digital innovation hubs transforming business and marketing collaboration. Interdisciplinary Journal of Research and Development, 11(1 S1), 235-235.

Tocar, S. D. (2019). Comparative analysis of some cultural dimensions systems: A qualitative value-based approach. CrossCultural Management Journal, 1, 21-34. Fundația Română pentru Inteligența Afacerii.

Trompenaars, F., & Hampden-Turner, C. (1997). Riding the waves of culture: Understanding diversity in global business. McGraw-Hill.

Yahoo Finance. (2021, Jul 7). Apple, Toyota, and IKEA ranked as the most innovative brands in America. Yahoo Finance. https://finance.yahoo.com/news/apple-toyota-ikea-ranked-america-130000398.html

Zacharakis, A., Corbett, A. C., & Bygrave, W. D. (2020). Entrepreneurship (5th ed.). Wiley.

Ziliute, V. (2024). Navigating cultural currents: a qualitative analysis of cross-cultural aspects in organisational risk management based on Trompenaars' cultural framework.