

# **“Heroic” Entrepreneurship and Other Variants: Building Culturally Competent Paradigms**

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*19<sup>th</sup> Century English historian Thomas Carlyle envisioned an heroic minority transforming the world. Although his views were repudiated by social scientists, Fredrick Jackson Turner and Elbert Hubbard revived such thinking in the New World by connecting entrepreneur-like responses with American individualism. Today, a popular vision continues to connect entrepreneurship with towering individuals. Culturally competent models and perspectives that view entrepreneurship more broadly have a significant role in avoiding ethnocentrism through the development of appropriate perspectives.*

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## **INTRODUCTION**

Entrepreneurship has been lauded as the “engine of economic and social development throughout the world” (Audretsch 2003) that contributes mightily to economic change and development (Shane & Venkatamaran 2000). Due to this role and its importance, entrepreneurship deserves a fresh view to protect it from ethnocentric biases.

Popular visions of entrepreneurship reflect the “great man” theories of the Victorian era in ways that are potentially cultural-bound and inappropriate. Culturally competent alternatives are needed to counter and mitigate potentially distorting views.

The current interest in entrepreneurship is typically traced back to the first half of the 20<sup>th</sup> century and the publication of Joseph Schumpeter’s *The Theory of Economic Development* (1911) and *Capitalism, Socialism, and Democracy* (1942). Schumpeter argued that the pivotal force leading to economic development was what he called “creative destruction” brought about by entrepreneurs who introduce innovations and paradigm shifts that trigger radical and unprecedented progress. As these changes unfold, older methods and strategies (as well as the status quo organizations that embrace them) become vulnerable and obsolete. Expanding his thinking, Schumpeter (1942) went on to observe that large and entrenched bureaucracies often resist these innovations, allowing financially weak entrepreneurs to find a window of opportunity where their vision can mature as a competitive force. Because of his pioneering work, Schumpeter continues to be recognized as a seminal force within entrepreneurial studies.

Building upon these perspectives, a complex and multidisciplinary literature has developed (Bull & Willard 1993). Due to this emerging breadth, Shane & Venkatamaran (2000) look forward to a time when a unique framework for conducting entrepreneur research will mature. They also complain that the term entrepreneurship has become “a broad label under which a hodgepodge of research is housed” (2000, 217).

Social scientific perspectives provide tools of value when expanding beyond popular visions that depict entrepreneurs as a unique, powerful, and influential “heroic force” that reshapes the world through courage, determination, untiring efforts, and vision. Although this stereotype might not be universally embraced (as well as lacking full empirical documentation), it is influential enough to deserve the attention that it receives here. Once this conventional view has been examined and its limitations appraised, alternatives based on cultural competence and social scientific perspectives are discussed.

## CARLYLE, NIETZSCHE, AND ENTREPRENEURIAL VISIONS

Born in 1795 during the French Revolution, Thomas Carlyle initially made a name for himself with his 3 volume *The French Revolution: A History* (1837), a vivid account that molded public opinion in an era of stress, political tension, and social change. Although most historians of the time wrote in a style that was dry and impartial, Carlyle made the events come alive with his passionate prose. The publication of this important work made Carlyle famous, but not rich. To receive his payday, Carlyle began lecturing, an activity that also provided the notes he needed to complete his best-known work *On Heroes, Hero-Worship, and The Heroic in History* (1841).

In that short monograph, Carlyle’s rhetoric proclaims that “the history of the world is but the biography of great men” (Carlyle 1841, 34), asserting that the efforts of a handful of monumental heroes transform humanity and civilization. Carlyle makes his case by celebrating “heroes” who operated in diverse contexts (including deities, prophets, poets, priests, scholars, and kings). Representative examples from each category depict irrepressible heroic figures who, going against the grain, strive forward in a transformational manner that introduces fresh and actionable options that advance culture and society in pivotal ways.

The praise directed towards Muhammad, the founder of Islam, is a typical example of Carlyle’s heroic vision. Discussing the achievements of this impressive religious leader, Carlyle sums up the Prophet’s achievement as “one man single-handedly... [welding] warring tribes and wandering Bedouins into a most powerful and civilized nation in less than two decades.”

Carlyle was convinced that these achievers are not “everyday people” thrust into heroic situations. Just the opposite; Carlyle depicts them as members of a rare and special class of achievers who possess innate abilities that allow them to remake the world in their own image. Because so few of these heroic figures exist, coupled with their groundbreaking efforts and achievements, Carlyle concludes (in an often-paraphrased observation) that ‘great men should rule and others should revere them’. Although Carlyle admitted that these heroes might be flawed or limited, he insisted that they provide the examples, innovations, and leadership needed to urge societies (and the people in them) towards achievement and progress. Carlyle makes his argument by presenting free-standing case studies depicting monumental strivers arising within a variety of contexts. Different in many ways, Carlyle believed these towering figures are unified by their heroic personas.

In the Victorian era, Carlyle’s depiction of the hero influenced other European intellectuals. Fredrik Nietzsche, for example, while not praising Carlyle, offered perspectives that parallel *On Heroes and Hero Worship* in important ways. Nietzsche, for example, wrote of the “Superman” as a proactive visionary who throws off the “herd mentality” that is embraced by mindless and passive followers who lack the inventive spirit and the personal resolve needed to transform the world. By forging their own path, Nietzsche’s Supermen (in contrast to effete followers) make profound contributions because they are not inhibited by tradition, convention, or established authority.

Nietzsche connects the actions of his Supermen with his catchphrase “God is dead”. Nietzsche, however, was an atheist who believed God never existed and, therefore, could not die. His observation is that the power of culture and tradition (such as a belief in God) is weakening, and this loosened grip creates a growing potential for individual choice and the unleashing of creative potentials that can transform inspired individuals into Supermen.

Nietzsche discusses this potential at length in his philosophical novel *Thus Spake Zarathustra* (1896) where Supermen are doers and thinkers while the weak, mindless, and uninspired “herd” turns to religion,

nationalism, or possibly democracy. Using this juxtaposition, Nietzsche depicts the Superman as the driving force in progress, evolution, and civilization.

The perspectives of Carlyle and Nietzsche are independently paralleled by Schumpeter's focus upon "creative destruction". Carlyle's "Hero", Nietzsche's "Superman", and Schumpeter's "Entrepreneur" are all cut from the same cloth.

## THE SOCIAL SCIENTIFIC REBUTTAL

Carlyle celebrated heroes and great men who, he believed, possess a tendency towards greatness and achievement. This belief in the innate characteristics of entrepreneurial-like heroes, although often appealing to the public, has been discredited by social scientists who point to environmental influences. The "Nature-Nurture" controversy (that often arises in genetics, psychology, and the sociology) provides important rival hypotheses by juxtaposing the impact of "the innate person" (Nature) with the influence of experience, culture, and so forth (Nurture). In contrast to Carlyle, who emphasized the innate and inherent qualities of heroic achievers; social scientists are more concerned with how experiences and opportunities provide (or do not provide) a nurturing foundation.

Thus, pioneering sociologist and anthropologist Herbert Spencer, writing during Carlyle's era, rebuts: "You must admit that the genesis of a great man depends upon the long series of complex influences which has produced the race in which he appears, and the social state into which that race has slowly grown... Before he can remake his society, his society must make him" (Spencer 1874, 31).

Spencer, as the reader might recall, was widely known for his evolutionary perspectives and coined the phrase "Survival of the fittest", which is closely identified with Darwinism. Because of this emphasis in his work, it is easy to assume that Spencer would embrace theories, such as Carlyle's, that concentrated on the contributions and successes of ultra-fit individuals who arose as heroic and innately superior achievers. But social scientist that he was, Spencer did not fall into that trap because he recognized and emphasized the impacts of culture, society, maturing technology, and opportunity. People who rise to greatness, Spencer argued, are prepared to do so by the nurturing foundation provided by their heritage.

Anthropologist Alfred Lewis Kroeber, although not directly critiquing Carlyle, provides a useful perspective in his *Configurations of Culture Growth* (1945) that deals with the rise and fall of a wide variety of civilizations over time. Kroeber's treatment is social, cultural, and environmental in nature. As a result, Kroeber, in a way somewhat similar to Oswald Spengler in his *Decline of the West* (1918,1922), suggests that the achievements of great and heroic individuals are side effects of the opportunities, circumstances, and challenges that exist at a particular time and place. Phrased in modern scientific terms: a nurturing environment is an "independent variable" while heroic achievement emerges as a "dependent variable" that springs from it. Thus, Kroeber's writing is consistent with Spencer's critique of Carlyle's Great Man Theory.

Certainly, however, a powerful temperament can be an invaluable asset that contributes to achievement and success. A compromise position, provided by 19<sup>th</sup> century psychologist William James in his *Great Men and their Environment*, acknowledges the importance of the traits of "great men" coupled with the opportunities and challenges faced. James goes on to emphasize the mutual effects that each exerts on the other. Thus, the 'heroic', innovative, and entrepreneurial Henry Ford lived at a time and place that nurtured the development of the production line and the manufacture of cheap cars for the masses. Or, perhaps, Steve Jobs was a brilliant and dedicated heroic figure who lived when great strides were ready to be made in computers and electronic communication.

Critiques and addendums (such as those made by Spencer, Kroeber, and James) continue to be insightful and relevant even though they were made many years ago. The Great Man theory posited by Carlyle is attractive and appealing to many, but it cannot withstand a strong rebuttal by social scientists. Nevertheless, as William James points out, powerful personalities, valuable skills, and strategic insights make vital and unique contributions, even though they need to be nurtured within a particular social context.

## AMERICA AND THE FRONTIER HERO

In North America during the latter part of the 19<sup>th</sup> century, views somewhat reflecting, but apparently independent of Carlyle and Nietzsche emerged in the work of Frederick Jackson Turner who argues that life on the rugged and unforgiving North American frontier gave rise to an imposing civilization bolstered by independent and self-reliant individualists who transcended the limitations of the effete Old World in powerful and profound ways.

Suggesting that Americans had become distinctive and superior, Turner recalls generations of pioneers trekking further and further west in a relentless quest to tame the wild and uncharted West. Turner mused that, in the process, these resilient souls abandoned a dependence on other people and the safety net provided by civilization, gaining self-reliance and independence in the process. These budding mavericks, furthermore, developed a willingness to abandon established conventions and act as circumstances demanded. Traditional European customs were sluffed along with transcending a dependence upon others, and the tendency to accept a sedentary lifestyle. These transformations, furthermore, were coupled with a growing distrust of institutions (such as formal religion, elite opinion leaders, dominant governments, and so forth). Turner concluded that American civilization was born in this caldron of stress and risk.

Turner went on to assert that by coping with challenges found beyond the grip of civilization, Americans developed a superior way of life. Writing in the 1890s, Turner recognized that the “frontier was closed”; nonetheless, he predicted that American civilization, having learned the lessons of the strenuous life, would long benefit from a superiority earned during the long march West.

Turner’s frontier thesis was quickly embraced as the prevailing and seldom challenged “origin myth” of American civilization. It long served as a truism embraced by both professional historians and the public at large. Catching the imagination of the times, Turner’s paradigm was quickly reflected in Owen Wister’s classic Western novel *The Virginian* (1902), and went on to become the premise for innumerable cowboy movies, especially those made in the first half of the 20<sup>th</sup> century. Today, Turner’s emphasis upon the frontier is no longer seen as the only or even the primary influence upon American civilization. Nevertheless, the rugged individualist of the frontier (and its image as a productive and seminal hero) can still capture the imagination in ways that influence unguarded, “knee-jerk” reactions.

In contrast to Carlyle who celebrated heroes from around the world, Turner asserted that the rugged and impassioned individualist of heroic stature is best identified with the American spirit and way of life. In the process, Carlyle’s Hero and Nietzsche’s “Superman” were transformed into cowboys riding the Western plains. And this rugged and independent American acted in ways that are clearly reminiscent of popular visions of entrepreneurs.

So far, however, the Hero/Superman/American individualist was not specifically connected to business thinking and strategies. That was quickly to change.

## THE HEROIC ENTREPRENEUR OF BUSINESS

During 1899, in the wake of the Spanish-American War, Elbert Hubbard, an eccentric marketing wizard turned leader of the Arts and Crafts movement in America, published a short essay entitled “A Message to Garcia” (1899) that dealt with Andrew Rowan, an American soldier who had been instructed to deliver a message to Garcia, a potential ally in the United States’ campaign against Spanish Cuba. Rowan took the letter and delivered it, asking no questions and making no demands. Hubbard then used this event as a foil as he juxtaposed these virile actions with the responses of the average inept worker. He observes:

My heart goes out to the man who does his work when the “boss” is away, as well as when he is at home. And the man who, when given a letter for Garcia, quietly takes the missive, without asking any idiotic questions... Civilization is one long, anxious search for just such individuals. Anything such a man asks will be granted. He is wanted in every city, town and village—in every office, shop, store and

factory. The world cries out for such: he is needed and needed badly—the man who can “Carry a Message to Garcia.”

Hubbard’s essay took on a life of its own after the New York Central Railroad distributed it in a complementary brochure. Millions of copies were printed and two motion picture versions were made. It is referred to in John Wayne’s classic war film *They Were Expendable* (Wayne 1945). Due to the popularity of Hubbard’s essay, he emerged as a nationally prominent taste maker and confidant to the rich and powerful.

The lesson of “A Message to Garcia” is that a willingness to show personal initiative and to work independently without smothering supervision is rarely found, but badly needed. Hubbard’s Rowan quickly emerged as an archetype of the heroic achiever who closely resembles the type of individuals who Schumpeter was soon to link with entrepreneurship (1911, 1942). Carlyle’s hero, Nietzsche’s superman, and Turner’s frontiersman had come to represent an achieving hero in generic ways. Hubbard went one step further by affirming that such individuals are the key to business success.

Combining Carlyle, Nietzsche, Turner, and Hubbard a model emerges in which:

1. A small number of heroic individuals, standing above the crowd, can change the world.
2. Although these heroic figures differ, they are unified by their style, spirit, and modes of action.
3. America and American society are spawning grounds for such heroic individuals.
4. Organizations need such individuals in order to grow, prosper, and respond to circumstances.

This thinking almost completely corresponds with a popular view of entrepreneurship that has emerged as a conventional wisdom within business.

## **McCLELLAND AND ACHIEVEMENT**

By combining Turner’s Frontier Thesis with Hubbard’s inspirational portrayal of Andrew Rowan, a powerful connection was made between individualism, achievement, success, and progress. In addition, Turner’s vision of America has partial parallels in the work of Max Weber, an important European sociologist of the early 20<sup>th</sup> century. Weber’s masterpiece, *The Protestant Ethic and the Spirit of Capitalism* (2002), explored why the first great flowering of industrialization and modern capitalism occurred in Northern Europe (especially Britain) and not somewhere else. Weber concluded that the industrial revolution initially took place where it did because Northern Europeans had distinctive beliefs and psychological needs that functioned as a catalyst for progress. In a nutshell, Weber pointed out that the Calvinist doctrines of early Protestant Christianity emphasized predestination. In other words, these people believed that God already knew who would go to heaven and who was condemned to a painful, eternal hell. Weber continues by observing that the Calvinists also reasoned that if God favored them on earth, His blessings would continue in the afterlife. Extrapolating beyond this belief, these Northern Europeans came to seek material success as an end in itself because it reduced the fear of eternal punishment. This, in turn, created an urge to accumulate and reinvest wealth which ultimately triggered the rise of modern capitalism and a flowering of the industrial revolution.

Weber also believed that in the Catholic countries of Southern Europe this compulsion for material achievement, reinvestment, and capital accumulation was weaker precisely because the religious views of the people there were different. Weber’s point is that the feelings and emotions that people embrace profoundly impact their economic lives. In other words, those from the North were socialized to embrace goals, beliefs, and attitudes that predisposed them to act in ways that resemble entrepreneurship.

A somewhat similar chain of thought was developed in the 1950s and 1960s by anthropologist David McClelland and is most fully expressed in his *The Achieving Society* (1961). Building upon Weber and psychologist Henry Murray (1938), McClelland asserts that all people have three basic needs (the Need to Achieve, The Need for Power, and the Need for Affiliation). Although believing that these needs are

universal, McClelland emphasizes that they exhibit varying degrees of strength within different people, cultures, and societies. As Weber before him, McClelland maintains that the culture plays an important role in determining the power of psychological needs (or motivations) as well as helping to determine how powerful they are in specific cultural and social settings. Thus, McClelland (like Weber) assumes that cultural patterns have a major role in determining the strength, impact, and influence of various motivational influences.

McClelland, therefore, believed that all people have a need to achieve even though the strength of this desire can vary on what can be seen as a sliding scale. McClelland continues by suggesting that mainstream Americans possess a particularly strong need to achieve and, as a result, they will struggle harder than most in the quest for success. In doing so, this chain of thought implies that American civilization encourages traits and priorities that are commonly identified with entrepreneurship.

McClelland continues by predicting that a desire for power (an ability to control others or the circumstances faced) is a second innate need. Like the need to achieve, it is viewed as inherent although varying in strength from person to person and from culture to culture. Power-driven individuals tend to be assertive and comfortable with confrontations that advance their agendas. Seeking a consensus (although sometimes a useful tactic) is seldom a high priority for its own sake. In some countries or cultures (such as the United States) a strong sense need for power is common. In other places, this is not so.

In many societies or cultural areas, in contrast, a much more collective orientation prevails. In such environments, those who forcefully seek power may be out of step with their fellows and treated accordingly or even shunned. A comparison, for example, is often made between Japanese culture (which emphasizes cooperation and consensus) and American culture (where individualism, assertion, and dominance are more highly regarded). In some circles, this need for power is viewed as a trait that bolsters entrepreneurship.

McClelland uses the term “Need for Affiliation” when discussing a person’s desire to connect with other people in positive ways. As typically understood, doing so involves developing positive bonds with others, especially friendly or loving relationships. People with a strong need for affiliation tend to seek and desire approval from and meaningful contact with others. They typically place a higher emphasis on affiliation and are supportive partners or collaborators; as a result, but they might shy away from leadership positions that separate or alienate them from others. McClelland suggests that American civilization places a lower emphasis upon affiliation than it does on the need to achieve and the need for power. As a result, Americans are strongly influenced by aspects of life that are commonly correlated with entrepreneurship while weak in areas that might inhibit acting in an entrepreneurial manner. Thus, McClelland’s conclusions regarding the American psyche tend to independently parallel Turners Frontier Thesis, although McClelland does not dwell upon the role of the frontier in creating it. A gap in McClelland’s model, furthermore, is that it does not address the degree to which the American “need to achieve” and its entrepreneurial inclinations are stable or if they are evolving over time.

## **HEROIC ESTRANGEMENT AND SPECIALIZATION**

For decades, Turner’s Frontier Thesis dominated American historians while shaping the self-image of the American public. But America was changing. Turner recognized that the frontier had “closed” around 1890, but he did not envision that American national character would change in the near future. Nevertheless, America was becoming increasingly and predominantly urban. Was Turner correct that the frontier legacy provided American civilization with a permanent superiority or would the benefits gained dissipate and weaken as Americans became increasingly urban and collectively oriented?

William Whyte’s *The Organization Man* (1956), a classic account of American corporations during the middle of the 20<sup>th</sup> century, points to a shift away from individualism and the impact of this transition upon big business and those who work within its bureaucratic context. Whyte also points to psychological strains and tensions associated with changes that he saw taking place in mid-20<sup>th</sup> century America.

*The Organization Man* covertly assumes that the early 20<sup>th</sup> century was an era when individualism and the entrepreneurial spirit played a major role in American industry. Whyte makes this observation

even though Joseph Schumpeter, a pioneer in entrepreneurial thought, had depicted large organizations as hostile to agents of progress and change. Whyte continues by observing that over time the clout of strong and individualist leaders began to lose ground to those with a stronger social orientation.

Nevertheless, Whyte wrote in an era when people were still being raised to think in terms of self-reliance and judge themselves accordingly. Young boys worshipped and emulated role models, such as ruggedly individualistic cowboy heroes. Ultimately, embracing the code of the frontier led to a double bind. People could remain true to their ingrained individualistic character and probably fail or, as a more productive alternative, they could abandon their beliefs and cherished codes of conduct, join the “herd”, and have a better chance of “success”. Whyte observed that both choices were unfulfilling and alienating to those who had been socialized to cherish the old ways.

Thus, Whyte depicts a situation where evolving conditions were creating a hostile environment for those in large organizations who embraced a strong individualistic or entrepreneurial orientation. Big bureaucratic organizations, in contrast, provided support to the collectively oriented while those who stood alone faced obstacles. Increasingly, Whyte observed, rugged individualists were being outmaneuvered and replaced by those who fit into and functioned more effectively within their organizations. They succeeded by becoming “team players” and abandoning their individualist leanings. Instead of challenging the status quo, they fit right in, and, as a result, increased their chances of succeeding. In this tug of individualists tend to be displaced.

Continuing this logic beyond Whyte’s analysis, those who continue to be individualists and entrepreneurial need an alternative arena where their spirit and style could compete, participate, and thrive. As a result, just as Schumpeter suggested, entrepreneurship came to be centered within small organizations that (1) lacked the collective orientation typical of large established organizations and (2) appreciated new ways of thinking and acting. Under these conditions, entrepreneurial activity (as it is popularly envisioned) shifted towards these smaller organizations that were often the lengthened shadow of the visionary or leader who established them.

This chain of thought connects a specialized remnant of American individualism with a conventional view of entrepreneurship this is centered around innovation, imagination, passion and risk taking. Thus, Whyte’s thinking can be expanded to suggest that those with characteristics associated with entrepreneurship were becoming estranged within large organizations although such sentiments and habits potentially survived in small, pioneering, and innovating organizations.

## **A DIVERSITY OF VIEWS**

Today, some entrepreneurial thinking continues to emphasize daring and impassioned individuals taking great risks, while other perspectives expand beyond this conventional view. Anderson and McCambridge (2017), for example refer to “Lone Ranger Entrepreneurship”, on the one hand, with more collective variants on the other. Those designated “Lone Ranger entrepreneurs” appear as heroic outsiders who buck the system and, in the process, potentially accomplish great triumphs. Collective visions of entrepreneurship, in contrast, do not assume that powerful leaders are essential for entrepreneurship. In addition, they recognize the power, wisdom, and insights of social groups and teamwork. Under what circumstances are achievements and breakthroughs the result of true and profound collaboration? That is a major question that those interested in entrepreneurship need to address.

Consider popular depictions of entrepreneurs and entrepreneurship. Duermyer (2018), for example, lists some well-known characteristics as (1) Possessing passion, (2) Exhibiting independent thinking, (3) Optimism, (4) Self Confidence, (5) Resourcefulness/problem solving, etc. Seth (2017), in a somewhat similar reciting of characteristics, lists (1) Passion/motivation, (2) Not afraid to take risks, (3) Self-belief/hard work, (4) Disciplined/dedication, (5) Adaptable and Flexible, and so forth.

Notice that these representative views of entrepreneurship (culled from the popular literature) point to characteristics that are consistent with individualistic, Lone Ranger perspectives. An implication of such lists is that if most of these characteristics are not found, the assumption is made that entrepreneurship is not present. But can entrepreneurship exist even where these characteristics are largely absent? Are

paradigms and analysis based upon these historical and culturally specific individualistic premises the best (and perhaps the only) way to evaluate a phenomenon of global importance?

In order to objectively address these questions, embracing neutral perspectives is needed. Doing so involves identifying commonly occurring characteristics of entrepreneurship in ways that remove culturally specific premises. Sample characteristics might include “providing new insights”, “creating an innovation”, “innovating novel and powerful alternatives”, and so forth. One sample description of entrepreneurship might include “Activities that (1) launch new and innovative activities, (2) by taking significant risks in (3) ways that potentially provide significant breakthroughs”. (This, of course, is but a simple and representative possible definition; other observers might usefully expand, revise, or replace it.) Nevertheless, definitions and descriptions such as this provide a means of assessing the degree to which both individuals and collective groups are acting in entrepreneurial ways.

After such culturally neutral criteria are established, the analyst can evaluate the activities being investigated to determine if they reflect the definition. If an individual, collective group, or any other variety of social actor(s) function in ways that mirror the definition, an evaluation of “entrepreneur”, “entrepreneurial”, and so forth could be made. By viewing and interpreting empirical reality in this manner, ethnocentric and cultural-bound modes of analysis can be transcended. In this age of global business, culturally neutral modes of investigation is increasingly important.

## **CULTURAL COMPETENCE AND ENTREPRENEURSHIP**

Cultural Competence (Deardorf 2009) is a term that has long been used in fields such as social work and the healthcare industry to indicate efforts, attempts, and methods that are designed to mitigate the distortions and misunderstandings caused by cultural differences in order to foster objective and culturally sensitive dialogues or evaluations. When cultural competence exists, outsiders view others in culturally appropriate ways. Under such circumstances, biased and culture bound views do not distort evaluations and expectations in crippling ways. When cultural competence exists, those being investigated are assessed on their own terms, not with reference to unsuitable frames of reference, that are harbored by ethnocentric outsiders. If these analytic characteristics are lacking, cultural competence will be lacking.

The work of Geert Hofstede is an important example of business research that has significant entrepreneurial implications. Hofstede, the reader will recall, is a Dutch researcher who conducted a massive and influential study of IBM workers worldwide and used his findings to develop a “cultural dimensions model” designed to compare and juxtapose cultures. As is widely known, these dimensions include “Power Distance”, “Individualism” vs. “Collectivism”, “Uncertainty vs. Avoidance”, “Masculinity vs. Femininity”, and “Long term vs. Short term orientation”. Hofstede identified his dimensions model after conducting a major statistical analysis (Hofstede 2005).

Hofstede’s contributions to entrepreneurial thinking are widely acknowledged. Thus, Asgary et al (2018 28) observe “Geert Hofstede’s model of cultural variation is connected to both entrepreneurial and developmental issues” while Thornton, Robeiro-Soriano, and Urbano (2011) point out that much of the research on entrepreneurship that is concerned with culture follows and reflects Hofstede’s work. These evaluations can take place if (1) entrepreneurship is connected to certain traits such as a willingness to tolerate uncertainty, and (2) if these traits are identified as being strong in particular cultures.

One possible methodological complaint in the research project, unfortunately, is that all of Hofstede’s informants were employees of IBM, a major corporation centered in the United States. Given this source of his data, it is not unreasonable to expect that most of these employees were at least somewhat “Westernized” and familiar with “big business”. This raises an important question: To what extent is the empirical evidence gathered by Hofstede “tainted” or influenced because the informants have experiences with large bureaucracies, Western influences, and largely function within the shadow of the United States?

To whatever degree such influences are present (i.e. diffused into the informants from the outside), the true cross-cultural implications of Hofstede’s work are compromised. This type of distortion is widely recognized and known as “Galton’s Problem” (Witkowski 1974). Where Galton’s Problem exists, true



and valid cross-cultural analysis is undercut. Hofstede does not adequately deal with this issue even though Raoul Narroll, a leading methodologist in the field, provides advice on how to correct for it (Narroll 1961).

Critics have not overlooked other problems with Hofstede's analysis. In Rachel Baskerville's "Hofstede Never Studied Culture" (2003), for example, cites three complaints about Hofstede's model. First, she points out that there are problems with equating "nation" with "culture". Nations, for example, are political, not cultural, entities that often contain significant culturally specific subgroups that are distinct from the largely homogeneous cultures that nations are often assumed to possess. Abstracting some sort of generic and homogeneous description of national thought, belief, and response under such circumstances can be distorting. Even though they are both members of the same Nation, for example, a Native Alaskan living above the Arctic Circle is probably very different from another American living in New York City. These variations need to be considered.

Methodologically, Baskerville goes on to suggest that significant problems can arise when quantitative methods are used to explore the complexities of cultures. Certainly, cross-cultural statistical analysis possesses a complex and well-established methodology (Murdock 1949, Narroll 1970). It appears, unfortunately, that Hofstede's work does not exhibit the degree of sophistication provided by the state of the art of these methods (Williams and Quave 2019). As a result, Baskerville's concerns are justified.

Baskerville also questions the degree to which outsiders are able to appropriately evaluate alien peoples, their behaviors, and institutions. Increasingly social scientists recognize that "outsiders" are likely to embrace perspectives that stem from their own heritage and, as a result, might be culture-bound. Although disabling distortion is not inevitable, it can easily crop up. Researchers need to be aware of this potential and actively devise ways to mitigate or prevent it. In essence, Baskerville suggests that Hofstede fails to do so. I find no reason to dispute her conclusions. Baskerville, of course, is but one critic of Hofstede; others exist (Ailon 2008, d'Iribarne 2009, d'Iribarne 1997). Her work was discussed here as a representative critique.

Thus, the potential for cultural incompetence is real and it appears to have infected important and highly regarded work (such as Hofstede's dimensions model and its influence upon the manner in which entrepreneurship is perceived).

Clearly, culturally competent alternatives are needed to offset research such as Hofstede's when it is applied unguardedly in ways that can undercut cultural competence. For a wide range of reasons, research on (or tangential to) entrepreneurship can emerge as culturally insensitive or ethnocentric. Such potentials need to be recognized and methods for addressing these problems and the limitations that spring from them must be developed and implemented.

## **ENTREPRENEURSHIP AND BUSINESS ANTHROPOLOGY**

Social anthropology is a discipline that is designed to deal with social groups, beliefs, and behaviors in culturally competent ways. Business anthropology is a branch of applied anthropology, the practitioner wing of the profession. By embracing business anthropology, the possibility of viewing entrepreneurship in more objective and culturally-relativistic ways is enhanced. This can include a focus upon collective as well as individualistic views. Business anthropology can provide useful insights by (1) Viewing entrepreneurs in culturally neutral ways, (2) Developing a general understanding of the full range of entrepreneurship and (3) Identifying different contexts and/or variants of entrepreneurship.

Achieving these goals is possible because anthropology is dedicated to viewing people and their behavior in a culturally sensitive manner that avoids pre-judgement and/or the inadvertent embrace of culturally loaded assumptions, such as an overly individualistic slant.

Business anthropology is built on a long-standing foundation of culturally competent research, methods, and perspectives. As discussed above, this underpinning can be traced back to Herbert Spencer's 19<sup>th</sup> century rejection of Carlyle's theory of innate heroism and Alfred Louis Kroeber's useful expansion of such ideas. By emphasizing the "Nature-Nurture" controversy, additional perspectives of

anthropology can be developed and deployed in investigations of entrepreneurship that view people and cultures on their own terms.

In contrast to culturally sensitive perspectives, such as those of anthropology, a common inclination in mainstream business is the urge to create generic paradigms, models, or solutions that can be widely applied. Doing so is often touted as a means of achieving greater efficiency through the creation of universal “off the shelf” solutions that can easily be applied to the challenges businesses face. A classic example of this from the marketing literature is Theodore Levitt’s focus upon globalization that emphasizes uniformity, not adjusting to the needs and desires of particular peoples (1983). While initially lauded, such views have been increasingly criticized because they fail to embody an appropriate cultural focus.

Business anthropology, contributing in the opposite direction, points to the importance of recognizing and responding to cultural, social, and circumstantial differences. A culturally relativistic, social scientific perspective reminds us that general and generic models, strategies, and tactics might not be universally appropriate or effective; just the opposite, they might prove to be hurtful and/or counterproductive. Business anthropology offers the tools needed to deal with this reality by factoring in the heritage of people and the influences of the circumstances they face.

Anthropological tools, thinking, and methods can be used to establish a relevant typology that more accurately examines the particular entrepreneurial activities and responses of specific people. Three such components of such a typology include (1) Entrepreneurship involving truly new ideas, methods, and so forth, (2) Entrepreneurship involving exporting ideas that already exist in one place to a new group or location, and (3) Entrepreneurship involving importing ideas that already exist elsewhere but are not present in a region, society, or context. (The last two varieties, of course, are actually different ways of looking at the same sort of event; one focuses upon the donor while the other centers on the recipient). All three will be discussed.

**New and Unique Entrepreneurial Contributions.** As usually envisioned, entrepreneurs create something that is unique and has not previously existed. Much entrepreneurial thought focuses upon such situations. Many of these advances become possible because evolving technologies and knowledge create opportunities that did not previously exist. As is well known, Renaissance genius Leonardo di Vince imagined an aircraft and left a picture of what resembles a helicopter in his notebooks. But he was merely dreaming because the technology of the era prevented his vision from being realized. By the early 20<sup>th</sup> century, however, building small and light weight gasoline engines had become possible and the Wright brothers emerged as great inventors and entrepreneurs who invented the airplane. In a similar example, in the late 19<sup>th</sup> century Edward Bellamy published the science fiction novel *Looking Backward* (1888) in which a form of electronic mass communication is described that entertains people the way radio and television does today. When Bellamy wrote, however, the technology and the infrastructure needed to create the required network did not exist so Bellamy was a story teller, not an entrepreneur who invented the mass media. Thirty-five years later, however, radio broadcasts for public consumption became possible and numerous entrepreneurs arose to take advantage of the opportunities, thereby, created. Other technological advances of modern times that spurred entrepreneurial activities resulted in motion pictures, phonographs, television, and computers. Indeed, wherever innovative technologies and inventions create new opportunities, entrepreneurs inevitable arise.

I sometimes jokingly ask my students “If Thomas Edison had not invented the light bulb would we be watching television candlelight? The obvious answer is “No” because the evolving technology of the time made the invention of the lightbulb inevitable. Edison was a great inventor and entrepreneur, but if he had not been available others would have arisen and the lightbulb would have been invented through them.

Entrepreneurial activity that brings new ideas, goals, priorities, methods, and so forth potentially shifts the balance of power in significant ways. As often observed, for example, the computer and the internet (and the entrepreneurs who fuel them) have profoundly changed the world.

Such inevitable influences need to be recognized and methods to counteract and mitigate potentially negative effects need to be developed. Thus, the full impacts of inventions and the uses to which

entrepreneurs employ them deserves conscious consideration and proactive remedies to address the potential problems they cause.

**Entrepreneurship Involving Exporting Ideas/Techniques, etc.** In many circumstances, a technology, method, or solution that already exists in one location is exported, diffused, or introduced elsewhere. To what extent is such behavior the realm of entrepreneurship?

In the discussion above, a tentative definition considered entrepreneurship to be “Activities that (1) launch new and innovative activities, (2) by taking significant risks in (3) ways that potentially provide significant breakthroughs”. According to such a conceptualization, introducing existing aspects of culture to people and places that do not have them could constitute entrepreneurship.

Where economic development, colonialism, neocolonialism and similar interventions are taking place, this type of transfer is commonplace. Under these situations, outsiders (or local people who have acquired industrialized or Western attitudes, perspectives, and skills) tend to dominate the entrepreneurial process. Where such entrepreneurial activities exert a significant influence, local or indigenous ways of life, traditional methods of production, and cultural traditions tend to be placed under stress. As a result, this sort of entrepreneurial activity can trigger rapid, unanticipated, and disruptive social and cultural change, in ways that potentially create or perpetuate unequitable relationships.

A vast number of products, fashions, tastes, beliefs etc. from the West, furthermore, have diffused into other regions and influenced other peoples, their attitudes, and thinking. When this happens entrepreneurs often introduce aspects of alien cultures in ways that, for better or worse, disrupt the traditional status quo.

This process is often called “cultural hegemony”, a concept identified with Marxist theorist Antonio Gramsci (1971). (This discussion, while embracing the concept, minimizes its revolutionary implications). An example of political hegemony exists when a dominant and powerful nation takes smaller, weaker, or poorer countries under its sphere of influence and dictates what they must do. Cultural hegemony, in contrast, exists when a dominant country’s heritage, culture, tastes, and so forth strongly influences other cultures, nations and peoples. Sometimes, exerting this influence might be a conscious process designed by one nation to influence others. On other occasions, it might merely involve the introduction of cultural elements by entrepreneurs who hope to win profits.

In the 20<sup>th</sup> and 21<sup>st</sup> centuries, for example, many regions and countries have embraced cultural aspects of the United States (including clothes, music, fast food, motion pictures and so forth). This trend is an example of cultural hegemony. Many people in countries with strong and beloved traditions are concerned by this process because they believe that the influence of cultural hegemony is undercutting their own heritage. Under such circumstances, the full implications of such actions (including unintended and unanticipated side effects) need to be considered and mitigated as required. Those who are enthusiastic advocates of entrepreneurship need to be reminded that significant change (such as those introduced by cultural hegemony) involves losers as well as winners, costs as well as benefits, and greater pain for some just as others find comfort. Business anthropologists who focus on social change and its implications are well suited to serve in this role.

**Importing What Exist Elsewhere:** When people or regions introduce people to what exists elsewhere, impacts and side effects often occur. Entrepreneurs who engage in such activities needs to be consider this potential.

As is often observed, products often become cheaper in the home country when production shifts to developing countries. On the other hand, when entrepreneurs move production “offshore” local jobs are often lost. These implications of entrepreneurship upon both processes need to be considered.

On some occasions, furthermore, entrepreneurs from the developed and industrial worlds visit the hinterland with the intention of appropriating its heritage for their own purposes. One classic example involves what is called “bio-prospecting” by advocates and “bio-piracy” by detractors. This process involves companies from the developed world sending fieldworkers to developing regions in search of plant and folk remedies that can be used to develop new medicines. When successful, these companies, acting in an entrepreneurial manner, provide new products to their companies, profits to their stockholders, and cures to the public. But are the local people who provide the innovation adequately and

equitably compensated? Does this entrepreneurial process of borrowing and diffusion serve the local people who harbor this knowledge? Typically, the answer is “No”.

When entrepreneurs seek to borrow cultural aspects and components, the donors need to insist that they are empowered and being treated fairly. Anticipating and addressing issues such as these has often emerged as a blind spot for mainstream business strategists. Even organizations and leaders with strong ethical and moral standards are often oblivious because their background prevents them from seeing the full implications of their actions. A greater understanding is required regarding the impact of entrepreneurial activities, the changes associated with them, and potentially unpredicted and unintended effects.

Making these observations is not a call for entrepreneurship to cease, but merely a reminder that its full implications need to be recognized and addressed. Culturally competent leaders and advisors are much needed; business anthropologists have a significant contribution to make in this regard.

Thus, culturally competent disciplines, such as business anthropology, are well equipped to deal with the full consequences of entrepreneurship and respond to them in proactive and suitable ways. This mission is important because many mainstream leaders and strategists lack the tools needed to adequately provide this type of assessment and response.

## **DISCUSSION AND CONCLUSION**

Since the Victorian era, a popular paradigm (initially made famous by Thomas Carlyle) has attributed cultural, technological, political, and social progress to heroic individuals who possess an innate potential for greatness. Carlyle’s vision, created in the 1840s, is reflected in the work of later European intellectuals such as Fredrik Nietzsche and his concept of the Superman. Although such thinking was forcefully repudiated by social scientists as early as the late 19<sup>th</sup> century, Fredrick Jackson Turner’s Frontier Thesis embraced a similar chain of thought by asserting that centuries of struggling during the Westward expansion gave rise to a superior American civilization that possesses an innate propensity to achieve and succeed. A few years after Turner wrote, Elbert Hubbard connected this heroic individual to success in business. Later researchers, such as David McClelland, suggest that Americans are likely to possess a desire for “achievement” and “power” which dovetail with an entrepreneurial drive. William Whyte further continued by arguing that in the post-World War 2 era, strong-willed innovators were being pushed out of large bureaucratic American corporations. This lack of opportunity within “big business” seemingly created a situation where small startup companies emerged as the Bastian for entrepreneur-like individualists.

Although these insights are valuable, a broader and more general perspective of entrepreneurship is needed in order to develop a more nuanced, cross-cultural perspective that expands beyond the popular individualistic model. A sample way to envision entrepreneurship that was culturally neutral offered the following orientation: “Activities that (1) launch new and innovative activities, (2) by taking significant risks in (3) ways that potentially provide significant breakthroughs”. Formulations such as this, although works in progress, seek culturally neutral methods for envisioning entrepreneurial activities.

In addition to dealing with a view of full breadth of what entrepreneurship is and can be, a recognition of the full implications and effects of entrepreneurship needs to be considered. Three sample varieties include: (1) Entrepreneurship involving truly new ideas, methods, etc., (2) Entrepreneurship involving exporting ideas that exist in one place to a new group or location, and (3) Entrepreneurship involving importing ideas that exist elsewhere but are not present in a region, society, or context. These activities, that might result from the action of a collective groups or an individual, potentially effect and impact people, cultures, and communities in ways that need to be anticipated and mitigated.

On many occasions, mainstream decision makers might not focus upon the full implications and range of entrepreneurial activities. Such blind spots need to be overcome in order to provide all impacted stakeholders with a chance for equity, parity and self-determinism. It is hoped that this discussion will be part of a dialogue regarding how to build a greater understanding of the important role of business anthropology in entrepreneurial theory and practice.

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