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Cross-cultural analysis of Japanese and Mediterranean entrepreneurs during the global economic crisis

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Abstract

This paper aims to identify similarities and differences in the attitudes and traits of entrepreneurs in four countries, Japan and three Mediterranean countries, and it analyzes how cultural diversity can influence business and entrepreneurial experience. To this end, two questionnaires were completed by entrepreneurs of 188 small businesses in Japan, Italy, Spain and Portugal at a time when all these countries had been hit by the global economic crisis. The indices of the Hofstede dimensions were obtained from the VSM 94 questionnaire. The second open-ended questionnaire adds information about each case in the field of entrepreneurship. The qualitative case analysis shows a relationship between the cultural values of the countries and the traits and attitudes of entrepreneurs. The findings indicate that perseverance and tenacity traits emerge in times of economic crisis as values in entrepreneurship. Entrepreneurial motivation in Japanese society addresses personal achievement, while it seeks independence in the Mediterranean cultures. The index of individualism takes high values in the four countries. This supports the theory associating this dimension with the traits of creativity and achievement.

Keywords: cross-cultural analysis, cultural traits, economic crisis, entrepreneurship, SME

Introduction

Economic development and job creation are crucial points in the political agenda of many countries. Promoting entrepreneurial attitude is a seemingly effective way to stir economic and social development. Since the seminal work of Schumpeter (1934), studies like Carree & Thurik (2003) have progressively analyzed relevant aspects of entrepreneurial attitude and its capacity to reactivate economic development. The relative stability of differences in entrepreneurial activity across countries suggests that other than economic factors are at play (Freitag & Zurik, 2007). Many authors have shown that social and cultural values affect entrepreneurial attitude and economic development (Tan, 2002; George & Zahra, 2002; Fritsch & Schroeter, 2011; Minkov & Hofstede, 2012). According to Audretsch (2012), the role of entrepreneurs is essential to innovation and entrepreneurship, and ultimately to economic development. Their influence can go far beyond that of other factors such as gender, type of firm or hierarchical level in business (Zander & Romani, 2004). Some studies examine the association between national cultural characteristics and the individual characteristics of entrepreneurs (Hayton, George, & Zahra, 2002). However, the kind of mediation operating between cultural and social values and entrepreneurial traits and attitudes remains unclear. Some authors affirm it is difficult to understand how it works (Barr & Glynn 2004; Thuric & Dejardin, 2011).

The economic crisis has been an obstacle and challenge to entrepreneurial attitude. The global economic crisis that began in 2008 has mainly affected the richest countries in the world. The impact of the crisis was especially intense in the four countries under study in this work. Throughout the period 2001-10, Italy and Spain entered a recession twice (Barro & Ursua, 2012) with unemployment figures reaching unprecedented levels. In Spain, the unemployment rate in the first quarter of 2015, seven years after the crisis began, rose to 23.8% (INE, 2015). Japan also entered into a recession twice within 2000-10; in 2008, GDP fell by 1.1%, intensifying in 2009 (-5.5%) (World Bank, 2016). In 2011, it was hit by the global economic slowdown as well as by natural disasters (-0.4%). After its GDP slightly recovered in 2012 (+1.7%) and 2013 (+1.6%), 2014 once again became a year of recession (-0.1%) for this country as a result of stagnant consumption and a rising VAT (World Bank, 2016).

In this context, coming out of the global economic crisis, this paper makes a cross-cultural analysis of the attitudes and traits of Japanese, Italian, Spanish and Portuguese entrepreneurs to identify similarities and differences at a time when all of these countries have been hit by the global economic crisis, and it analyzes how cultural diversity can influence business and entrepreneurial experience.

Theoretical Foundations

Moderating value of culture in entrepreneurship

The culture of a country is one of the main moderating variables influencing entrepreneurship (Shane, 1993; Audretsch, Grilo, & Thurik, 2007). Culture affects citizens' values and their attitude toward entrepreneurship; this is even the case of low-income citizens (Gianetti & Simonov, 2004). Research on the relationship between cultural dimensions and the entrepreneurial mindset by country is still in its infancy (Freitag & Thurik, 2007). Some studies suggest a causal relationship between culture and entrepreneurship. Yet this relation is one of aid in which culture acts as a moderating element or drive within the institutional and economic context (Hayton, George, & Zahra, 2002), which is crucial to entrepreneurship and economic development.

Hayton, George and Zahra (2002) identify various characteristics of entrepreneurs that are seemingly influenced by national culture. For these authors, the reasons for starting a business vary consistently according to the dimensions of individualism, power distance and masculinity. In another work Hofstede, Noorderhaven, Thurik, Uhlaner, Wennekers and Wildeman (2004) discuss the cultural and social values influencing entrepreneurship differences among Western nations and Japan. They found that discontent and self-employment are related and present throughout all of these countries. Social dissatisfaction seems to be a distinguishing factor in a country's culture, but this relationship cannot be applied to individuals.

Entrepreneurial traits and cultural dimensions of countries

Some traits are common to all entrepreneurs. What is more, some traits are common to very culturally different countries and societies (McGrath & MacMillan, 1992) and several studies attempt to identify these traits. According to Litch (2010), a particular preference for the values of "high openness to change" and "high self-enhancement" is observed in entrepreneurship. According to Thomas and Mueller (2000), the traits associated with entrepreneurs are "innovation," "internal locus of control," "risk propensity" and "energy level."

Other studies look at entrepreneur motivation, e.g., Shane, Kolvereid and Westhead (1991) identify three motivation factors: "level of independence," "social recognition" and "roles." In a study conducted in eleven countries, Scheinberg and MacMillan (1988) found that the reasons for undertaking entrepreneurship can be grouped into six dimensions: "approval," "perceived utility of wealth," "communitarianism," "personal development," "level of independence" and "the need to escape." The influence of these dimensions is different for each country. Hayton, George and Zahra (2002) point out that the cultural values of the countries and individual values and beliefs are greatly related. This makes it difficult to distinguish between them. Culture represents an aggregation of individual values, attitudes, beliefs and behaviors, so their highly correlated levels are unsurprising (Davidsson & Wiklund, 1997).

The cultural dimensions proposed by Hofstede (1980, 2003) were originally developed within the formal context of organizations. It broadly defines the dimensions and makes no use of them to specifically address entrepreneurial aspects. However, research in the field of entrepreneurship (see Table 1) has relied on these dimensions (Hayton, George, & Zahra, 2002). Hofstede's work is particularly useful because it provides a concise and applicable categorization of significant cultural dimensions for each country which can explain consistent individual behavior across different countries at an aggregate level.

The relations between cultural values and the level of entrepreneurship shown in Table 1 are more consistent in Western countries, where the dominant values attributed to entrepreneurs are risk-taking, proactivity and innovation. Max Weber argues that the Protestant ethic in Western countries proved decisive in bringing about change towards a greater orientation to work and profit (Weber, 2013). However, Gupta and Fernandez (2009) found significant trait differences among entrepreneurs from different cultures. A reductionist approach produces limited results in Eastern countries. It is therefore advisable to seek more sensitive alternatives closer to their contextual reality. Hofstede and Bond (1988) attempt to uncover the differences between eastern and western culture by adding a fifth dimension, Confucian Dynamism. Further on this new dimension is re-labeled as Long Term Orientation. It incorporates aspects such as the value of savings in society (Hofstede, 2003). GDP in the West correlates with a high level of individualism; In East Asian countries, GDP correlates with long-term orientation (Bond & Hofstede, 1989). The mechanisms that

Table 1. Relation between entrepreneurial traits and cultural values.

Author	Hofstede's Dimensions	Entrepreneurial traits	Relation	Comments
Shane (1992)	Individualist and non-hierarchical societies.	creativity or inventiveness	positive	As a society stresses hierarchy, it reduces innovation; individualist societies tend to be more creative than collectivist societies.
Mueller & Thomas (2001)	Individualism; Uncertainty avoidance	Internal locus of control, innovative orientation, risk-taking propensity	Innovation and internal locus of control is dominant in cultures that are very individualistic with low uncertainty avoidance	Cultural values are significantly related to traits connected to entrepreneurship such as innovative orientation, internal locus of control and risk-taking propensity. Cultures with a high level of individualism and low uncertainty avoidance are conducive to entrepreneurship.
Hofstede et al. (2004)	Power distance; collectivism; uncertainty avoidance	Level of entrepreneurship	negative	The cultures of relatively poor Western countries often display high levels in the dimension of power distance, low levels in individualism and high levels of uncertainty avoidance. These are the dimensions that initially adversely affect levels of entrepreneurship
Kreiser, Marino, Dickson, & Weaver (2010)	Uncertainty avoidance; power distance	Risk propensity	Significant and negative influence	High levels of uncertainty avoidance and power distance have a negative impact on proactive firm behavior.

facilitate innovation in the West may not be directly replicable in Eastern cultures. For example, the high long-term orientation observed in Japan is often related to a high degree of collectivism. Behind this behavior lies a strong group culture (Kosaka, 2004) that provides a favorable environment for innovation. Masuda (2006) notes that public administration in Japan is interested in identifying potential entrepreneurs and promoting policies to help them achieve their goals and ultimately boost economic development. In light of this, Japanese universities have improved and developed duly required education in entrepreneurship (Shinato, Kamei, & Dana, 2013).

It is difficult to capture all the complexities of national culture in only four or five dimensions. In this sense, there have been problems with replicability (Fey, 2005).

Dimensions should be applied differently to Eastern cultures and Western cultures. Western thought stands out for its strengths in categorization and analysis, while Eastern thought is characterized by its integrative and encompassing nature (Chen, 2002). Hofstede bipolarizes national culture such as femininity versus masculine dimension; yet Fletcher and Fang (2006) argue that Asian cultures can be better understood on the basis of cultural groupings rather than artificially-created national boundaries.

Methodology and research design

This paper aims to identify similarities and differences in the attitudes and traits of entrepreneurs in four countries affected by the economic crisis and analyze how cultural diversity may influence business and entrepreneurial experience. Two questionnaires have been used to this end. The first of them is the Hofstede Value Survey Module 1994 (VSM-94), which compares Hofstede dimensions based on the interviews to current entrepreneurs in the countries under study. VSM-94 questionnaire consists of 26 points, six socio-demographic points and 20 points related to the five cultural dimensions proposed by Hofstede: Power Distance Index (PDI)—also called hierarchical distance—Individualism versus Collectivism (IDV), Masculinity versus Femininity (MAS), Uncertainty Avoidance Index (UAI) and Long-Term Orientation (LTO). The use of VSM-94 to measure cultural dimensions at the individual level to obtain multidimensional culture constructs is not exempt from criticism (Ly & Zahra, 2012). This approach has been criticized for being incapable of fully capturing relevant cultural aspects (Tang & Koveos, 2008). Nonetheless, it brings obvious benefits. The Hofstede model provides indices assigned to each of the dimensions for all the nations with their corresponding demographic, geographic, and economic factors as well as the political social aspects (Kale & Barnes 1992). These features are incomparable in other cross-cultural models (Soares, Farhangmehr, & Shoham, 2007). However, this is not the case in Hofstede model because it standardizes the units of analysis and allows a cross-cultural comparison.

The second questionnaire adds valuable information on each case in the field of entrepreneurship, specifically on the attitudes and traits of entrepreneurs. It consists of 13 open-ended questions. The use of open-ended questions in research across East Asian countries can prevent the possible reductionism resulting from the use of a westernized criteria and the vision of a cross-cultural analysis (Gamage & Wickramasinghe, 2012). This also explains the need to incorporate additional questions to collect complementary bipolar dimensions, typical of the culture of Asiatic countries and Japan (Fletcher & Fang, 2006). In this case, the ATLAS.ti 4.1 is employed in the qualitative analysis of the data.

Research Design

We first selected entrepreneurs and small business creators as the unit of analysis (Chetty, 1996). Schwartz (1994) states that comparative cross-cultural study samples must be obtained for each culture. A comparative study between countries or regions should be based, in as far as possible, on samples of respondents equal in all criteria apart from nationality or region (Hofstede, 2003). Having previously defined theoretical objectives, we followed a convenience sampling from businesses located in Sasebo City (Japan), Province di Varese (Italy), Lisbon District (Portugal) and Andalusia autonomous community (Spain).

Eisenhardt (1991) suggests that the number of units in a case study should be over ten for reliable results. In our study, we analyze a total of 188 cases (44 in Japan, 48 in Italy, 50 in Spain and 46 in Portugal). All companies are SMEs that have fewer than 50 employees. Most companies are newly created and all the CEOs we interviewed established their

company on their own. We visited each of the firms two or three times to conduct personal interviews for the data collection. The survey was carried out by university professors.

According to Hofstede (2003), in national studies both the sample and the survey tool should be comparable. The translation and cultural adaptation was performed by university professors from the respective countries ensuring the semantic similarity of the questions among the cultures involved in the research (Werner & Campbell, 1970). Following Brislin (1986), we used: short sentences, active voice rather than passive voice, nouns rather than pronouns, phrases contextualizing the main ideas, and specific rather than general terms. To analyze the content, we encoded each word or group of words summarizing the set of citations. In line with Miles and Hubertman (1994), we followed a process of citation, citation coding and iterative review of citation-code: after identifying the codes, we analyzed their number and frequency of occurrence to establish their importance, strength and inter-relationship.

Data analysis and results

We first present firm characteristics and the sociological profile of entrepreneurs. Then we make a qualitative analysis of the cases collected through the open-ended questions, and we finally present the results of the VSM 94 questionnaire with the indices of the Hofstede dimensions. The formulas for index calculation were taken from the VSM 94 Manual.

Sample profile

Table 2 shows an ostensive majority of male entrepreneurs; the percentage of female entrepreneurs ranges from 4.3% in Portugal to 20.8% in Italy. All but one of the Japanese entrepreneurs is over 35 years old; however, in the Mediterranean countries between 20% and 26% of entrepreneurs are under 35. Relative to education, the number of entrepreneurs with university studies is much higher in Japan than in the Mediterranean countries, 39% versus 5% on average.

Table 2. Individual characteristics of the sample respondents.

		Japan	Italy	Spain	Portugal	Census (%)
Gender	Male	40	38	44	44	88.3
	Female	4	10	6	2	11.7
Age	18-24	1	1	2	2	3.2
	25-34	0	10	8	10	14.9
	35-44	15	15	18	20	36.2
	45-54	16	14	17	7	28.7
	55-64	9	7	4	7	14.4
	65+	3	1	1	0	2.7
Education	Primary	7	29	27	25	46.8
	Secondary	20	14	20	20	39.4
	Undergraduate	17	4	3	1	13.3
	Post-graduate	0	1	0	0	0.5

Concerning business profiles, these are generally young companies with similar operating times in the four countries (Table 3). In Japan only 14% of the companies are over 20 years old. By contrast, the selected companies in Portugal are the oldest, but only 30% of them are over 20 years old. Most of the firms are small businesses; the percentage of microenterprises, with fewer than 10 employees, ranges between 68% in Japan and 60% in Spain. Finally, a wide range of firm sectors are proportionality distributed across the different countries. Most of the firms operate in the service sector. However, the presence of consultancy and hospitality sectors is significant.

Table 3. Characteristics of the sample businesses.

		Japan	Italy	Spain	Portugal	Census (%)
Age	1-4	10	14	11	9	23.4
	4-10	12	11	14	14	27.1
	11-20	16	9	14	9	25.5
	21-30	4	9	8	9	16.0
	31-40	2	5	3	4	7.4
	41-50	0	0	0	1	0.5
	50+	0	0	0	0	0.0
Employees	1-5	24	18	20	12	39.4
	6-10	6	11	10	17	23.4
	11-20	5	11	12	10	20.2
	21-30	4	8	6	6	12.8
	31+	5	0	2	1	4.3
Sector	Food	7	6	5	7	13.3
	Sports	2	0	2	2	3.2
	Hospitality	8	6	11	8	17.0
	Consultancy	11	8	11	9	20.7
	Textile	3	4	0	0	3.7
	Construction	3	7	3	9	11.7
	Design	1	0	0	0	0.5
	Health & Beauty	3	8	6	7	12.8
	Engineering	3	0	2	0	2.7
	Information	1	1	0	0	1.1
	Leisure	2	4	7	4	9.0
	Automobile	1	4	3	0	4.3

Qualitative case analysis

Using a systematic citation encoding process, we analyzed the responses to the open-ended questions. We highlighted the set of the most representative citations and coded each group of words. With the selected codes we obtained data for each country, which we then

grouped into broader concepts called level 1 and level 2 subcategories, finally these subcategories are integrated into Table 4.

The reason for creating the company presents analogies; in the case of the Mediterranean countries, it's the need for independence. However, Japanese entrepreneurs seek self-fulfillment and project development. This attitude is consistent with other studies showing that the most important variables for Japanese entrepreneurs was the desire to "create an opportunity for myself," "create an organization that reflects my values" and "develop my talent" (Ray & Turpin, 1990).

Table 4. Qualitative case analysis results

Question	JAPAN	ITALY	SPAIN	PORTUGAL
1. Why did you create the company?	Project Development	Independence	Job dissatisfaction	Independence
	Self-fulfillment	Seizing an opportunity	Independence	Seizing an opportunity
2. Which were the main issues found?	Funding	Funding	Funding	Funding
	Clients	Clients	Bureaucracy	Adequate Personal
3. How did you overcome these problems?	Help from third parties	Adjusting production	Management skills	Adequate staff
	Marketing	Management skills	Adequate staff	Management skills
4. Would you create the company again?	Affirmative	Affirmative	Affirmative	Affirmative
5. Why?	I am happy	I am happy	I am happy	I am happy
6. What part of your experience would you repeat?	Personal relationships	All the experience	All the experience	All the experience
7. Why?	Generates values	Achievement	Achievement	Achievement
8. What would you not repeat?	Location of the business	Training need	Training need	Training need
	Training need	less confident	less confident	
9. The main personality trait that enabled you to create the company	Perseverance	Perseverance	Perseverance	Perseverance
	Honesty	Self-confidence	Enthusiasm	Enthusiasm
10. Which of your traits would you highlight?	Optimism	Perseverance	Kindness	Perseverance
	Perseverance	Optimism	Perseverance	Tenacity
	Perseverance	Perseverance	Perseverance	Risk-taking

11. What advice would you give to those starting their own business	Confidence	Confidence	Tenacity	Perseverance
12. Why did those unable to start a business fail?	Mismanagement Lack of formation	Mismanagement Disappointment	Mismanagement Disappointment	Inconsistency Disappointment
13. What main problem is your business currently facing?	Poorly qualified staff	Leisure production Lack of customers	Lack of customers	Lack of customers Funding

Not surprisingly, funding was the main drawback encountered by entrepreneurs in all four countries when they created their companies. The control or regulatory rigidity—bureaucracy—found in Spain affects personal initiative (Frese, Kring, Soose, & Zempel, 1996), but it is not among the problems encountered by entrepreneurs in Japan when creating a company.

The way they overcome difficulties also differs. Mediterranean entrepreneurs employed management skills that included hiring adequate staff, while a sense of group exists in the way the Japanese overcome unexpected drawbacks: with the help of third parties. Personal connections established with colleagues and former clients help Japanese entrepreneurs launch their new businesses. These relationships also help them overcome arising problems because they can turn to these individuals for advice and assistance. Honjo (2015) indicates that people who know other entrepreneurs are more likely to invest in a new business in Japan as compared to other countries. Many of these entrepreneurs have worked for large companies where they have developed enough knowledge, skill and experience to start a new company and they decide to do so because they feel that these large companies can no longer satisfy their needs.

Five questions relate to the satisfaction of the entrepreneur in creating the company. In all four countries entrepreneurs would create the company again because they were happy with the project. Entrepreneurs from the Mediterranean countries say they would repeat all their experience, while entrepreneurs in Japan would only repeat personal relationships. In terms of why they would do so, entrepreneurs in Japan say it generates values while those in the Mediterranean countries claim they would do so for the sake of achievement. The four countries agree that if they had to start all over they would prepare themselves more.

Three questions cover the traits and qualities of the entrepreneur. In all cases, they claim that perseverance is the trait that has led them where they are today. Moreover, entrepreneurs from Japan and Italy advise new entrepreneurs to be self-confident while enthusiasm and optimism appear in all four countries.

The demographic profile of Japanese entrepreneurs reveals a higher age. The age difference observed deserves to be analyzed since this variable is often determinant in the survival and success or failure of businesses. A higher proportion of Japanese entrepreneurs start their companies when they are in their mid-thirties to mid-forties. Consistent with other studies, the results indicate that the likelihood of becoming an entrepreneur increases with

age and then decreases, i.e., the effect of age on business start-up is represented by an inverted U-shape (Honjo, 2015). According to Honjo (2015) 37.3 is the most likely age for becoming an entrepreneur in Japan. The specific motivations to start a business may explain the greater maturity of entrepreneurs in Japan. Many of these entrepreneurs reach a critical point in their professional life or they are unable to fully exercise their creativity, so they seek the realization of a personal and professional project at a more advanced age (Ray & Turpin 1990).

The final two questions address the reasons for problems in their own firms as well as in other firms. Entrepreneurs in the Mediterranean countries pointed to disappointment and mismanagement as the main causes that explain the failure of other companies. In the Mediterranean countries, the lack of customers is the main problem in having their own business. Meanwhile, Japanese entrepreneurs indicate under-qualified staff as their main concern. This may have to do with the level of education given the notably higher number of entrepreneurs with higher education in Japan. Japan grants a lot of importance to the need for training in business development. As a matter of fact, training in Japan is considered crucial to business continuity.

Hofstede dimensions

The calculations of the Hofstede dimensions obtained from the VSM 94 questionnaire to the entrepreneurs in the four countries are shown in Table 5.

Table 5. Distance Indices (DI) of the Hofstede dimensions from VSM94 questionnaire.

	Japan	Italy	Spain	Portugal
Power Distance Index (PDI)	1	3	8	16
Individualism versus Collectivism (IDV)	88	56	87	89
Masculinity versus Femininity (MAS)	60	48	0	26
Uncertainty Avoidance Index (UAI)	39	38	92	60
Long Term Orientation (LTO)	47	66	35	61

The fact that the interviews have been conducted with entrepreneurs is reflected in the culture shown by the Hofstede dimensions. The results are consistent with what could be expected of an entrepreneur society. In the theoretical revision (Table 1) we can see that cultures with a high level of individualism, low uncertainty and low power distance were conducive to entrepreneurship.

Power Distance Index (PDI) is very low in all four countries. PDI reveals how society deals with inequality: cultures with a low rate value accept and expect power relations to be more democratic and distributed equally.

Individualism is very high for Japan, Spain and Portugal, while in Italy it is at an intermediate point. Schwartz (1990) stresses that people who give no value to independence are unlikely to step forward and create their own company, even if they have the listed traits and a positive attitude towards achievement and innovation. In Japan the main motivating force focuses on self-fulfillment and project development. These categories appear to be consistent with the high level of individualism in Japan. The score in Japan is remarkably high given the assumption that Japanese are supposed to be a national culture with a more collectivist orientation and behavior (Kosaka, 2004). This is most likely due to the fact that all entrepreneurs are individualists, not collectivists, and this will naturally seem heightened within a collectivist context.

Masculinity dimension varies greatly across the four countries. Italy is somewhere in the middle and Japan tends to values representing a greater male dimension. Value 0 for Spain is surprising, but it is a perfectly valid value because the dimensions can range between 0 and 100 (Hofstede, 1980). In the case of Spain, society in general is moderately feminine, reaching a value 42 in the MAS dimension. Entrepreneurs in countries with these low levels of masculinity tend to create good working environments (Hofstede, 1996). They work in a climate of cooperation, worry about living in an environment that is pleasant for themselves and their families, and they are greatly concerned about job security at their firms. Masculinity is more related to the external locus of control than it is to innovativeness (McGrath et al., 1992). In fact, some studies have found no association between this dimension and entrepreneurship at a national level (Shane 1993).

Uncertainty Avoidance Index (UAI) expresses the extent to which society feels uncomfortable about uncertainty and ambiguity. Societies with high levels of this index are more likely to establish rigid control parameters to reduce uncertainty; thus they leave less room for generating and developing new ideas. Results show extremely high rates for Spain and very high rates for Portugal. The indices of Japan and Italy are relatively small and alike for entrepreneurs in both countries.

Finally, the future is more important in societies focusing on the long-term; these societies promote pragmatic values that encourage perseverance and savings. It is interesting to note that the rates of this dimension are similar in Portugal and Italy. Entrepreneurs from both of these countries adopt decisions geared towards future compensations, such as saving or restricting expenses. By contrast Japan and Spain, with smaller Long-Term Orientation (LTO), tend to make decisions keeping the past and tradition in mind.

Discussion

Despite the fact that the interviews were carried out in the midst of the economic crisis, optimism was observed among entrepreneurs concerning their experience—whether in terms of satisfaction and/or failures—in creating the company. The traits of perseverance, tenacity and optimism are common to all four countries. Entrepreneurs in the four countries are satisfied with their businesses; so personal satisfaction—happiness—appears as the main category. The concept of happiness is an imprecise term that is difficult to define (Veenhoven, 1991; Kesebir & Diener, 2008). The main focuses of happiness come from the Hedonist and Eudaimonic perspective (Ryan & Deci, 2001; Ryff & Singer, 2008) and the results vary in function of the work climate, the worker himself, and the sector in which the study is performed (Clark, Kristensen, & Westergard-Nielsen, 2009; Theodossiou & Zangelidis, 2009). According to the Eudaimonic approach, happiness is the development of activities consistent with the most intimate personal values that promote personal growth, self-fulfillment and personal achievement. Our study collected data from different sectors, but the need to achieve is typical of the entrepreneur in Japan, where the main reason for creating the company, the vital motivation to achieve the project generates strong desire for self-improvement growth. Additionally, Japanese entrepreneurs would create their businesses once again because it “generates values” versus the standard reason presented in most research, “achievement.” While entrepreneurs in the Mediterranean countries would “repeat it all,” Japanese entrepreneurs specifically claim that “personal relationships” are the most enriching element.

The Mediterranean countries and Japan alike give outstanding value to perseverance (holding firm on the purpose of pursuing what one starts). They consider it essential in starting a business project and getting to where they are now and they stress that perseverance is in fact their main trait. Surprisingly, research on entrepreneurship rarely discusses the

categories of perseverance and tenacity—the qualitative analysis includes the latter. Perseverance and, especially, tenacity require the entrepreneur to make thoughtful decisions but they also help entrepreneurs overcome the increasingly difficult situations they face in an economic crisis. The insistence of entrepreneurs on achieving their targets is common to both perseverance and tenacity. Perseverance or persistence is a prolonged effort when it comes to reaching or achieving a goal; tenacity consists in finding alternative ways to achieve goals when traditional ways fail to do so (Godin, 2013). In our study, both traits clearly appear as entrepreneur values in times of economic crisis and they allow entrepreneurs to maintain their business despite all the difficulties. It then makes sense to state that these two values must be taken into account when studying entrepreneurial personality.

According to the work of Hofstede (1996), the Power Distance Index (PDI) of Romance language countries (Spanish, Portuguese, Italian) and Japan ranges between medium and high. Conversely, our study has obtained an extremely low PDI in the entrepreneurs of the four countries. A plausible explanation of this more egalitarian mentality is that the four countries have evolved into democratically established political systems reflected in their culture. However, we think that the main reason is that the criteria of entrepreneurs and multinational workers are different. Hofstede et al. (2004), and Kreiser et al. (2010) find a negative relationship between high levels of hierarchy distance, entrepreneurship and the proactive nature of the firms. In small companies, employee autonomy is required and managers count on the experience of their team members. Entrepreneurs would commonly reduce staff inequality in their organizations and promote interdependence among themselves and their subordinates; company hierarchies would imply unequal roles established for convenience.

Individualism is another cultural dimension found in our work that falls in line with values related to entrepreneurial values. The dimension of individualism is close to the construct of self-direction as defined in Schwartz's model (1990: 144). It contains variables related to independent thought and action—one creatively chooses and explores (creative, independent, imaginative, intellectual and logical) one's own goals. The impact of the economic crisis may also explain the high levels of individualism of some countries. Understandably, in an entrepreneurial environment the best interest of individuals lies within themselves as well as within their immediate surrounding.

Concerning Uncertainty Avoidance Index (UAI), the rate for Japan and Italy is remarkably low for these countries. Countries with low uncertainty avoidance are more likely to stimulate basic innovations because they have a greater tolerance to ideas departing from the norm. Conversely, high levels of this index relate inversely with levels of entrepreneurship (Mueller & Thomas, 2001; Hofstede et al., 2004) and proactive business behavior (Kreiser et al., 2010). Hofstede (1996) indicates that countries with a high uncertainty avoidance index aim to reduce risk and ambiguity. The psychological need for rules and laws in a society with strong uncertainty avoidance often leads to establishing incoherent or dysfunctional standards or regulated behaviors. Spain and Portugal, with high UAI rates, establish controls that hinder inventive capacity. The high levels of bureaucracy of these countries reflect this situation, which is one of the main problems faced by entrepreneurs. Within this context, entrepreneurs feel trapped by the unknown, uncertain or ambiguous.

Conclusion

The variable impact of the culture of a country on entrepreneurship is difficult to diagnose. On one side, the cultural values of a country or region are an important mechanism because they affect individual values. Several studies point to the high correlation between

the cultural values of countries and individual values. At the same time, the entrepreneurial spirit of a society may be affected by its surrounding culture, so it is possible to not only speak of individual entrepreneurs but also of entrepreneurial nations (Licht, 2010).

We have seen that certain cultural dimensions of countries are somehow associated with higher levels of entrepreneurship and proactive business behavior: high rates of individual distance and low levels of uncertainty avoidance and power distance correlate positively with entrepreneurial behavior. In this study, we take cultural values as individual population averages (Hofstede, 2003) and consult entrepreneurs from four countries. Thus we expect our study to reflect the values of the cultural dimensions most strongly associated to entrepreneurship, as has been the case.

According to Hofstede's studies, the greatest difference between the cultural dimensions that relate to entrepreneurship positively (individualism) and negatively (power distance and uncertainty avoidance) occur between Italy and Portugal. However, in our study there are greater differences between Japanese and Mediterranean entrepreneurs. The desire for autonomy in Mediterranean cultures and the attitudes linked to personal fulfilment in the culture of Japan are among the traits that are related to entrepreneurship. Japanese entrepreneurs use more rational elements to explain successes (perseverance, confidence) or failures (lack of formation).

We found that the Power Distance Index is very low in the four countries; entrepreneurs do not allow members of the institutions or organizations in their society to bear unequally distributed power. Likewise, the individualism index takes medium-high values in the four countries. This supports the theory that associates this dimension to the traits of creativity and achievement. The qualitative analysis also supports this given the presence of entrepreneurs under the category of project development and self-fulfillment. The development of the qualitative study confirms the importance of independence/autonomy over other characteristics (Schwartz, 1990) and the convenience of analyzing perseverance and tenacity because these values emerge clearly in the profile of entrepreneurs in times of economic crisis.

Other variables such as religion, which may have an influence on entrepreneurship, have been cited in this paper, yet they have not been discussed in depth. In the questionnaire, no specific questions have been asked about the follow-up of religion, although approximations such as the level of "respect for tradition" were present in each country. An exhaustive analysis should include an in-depth study of all the variables and motivations that may affect the entrepreneurial spirit in Mediterranean and Japanese cultures.

The sample of four countries used in this research seems insufficient to establish generalizations on the attitudes and traits of entrepreneurs applicable to all countries (Cadogan, 2010). This study is an exploratory investigation that allows us to specifically study the contrast and motivations of entrepreneurs in cultures that are initially as different as that of the Japanese and Mediterranean countries. This approach will allow further in-depth research to advance new theories.

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