

Brancu, Laura; Guðmundsdóttir, Svala; Gligor, Delia; Munteanu, Valentin

## Article

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## IS CULTURE A MODERATOR OF ENTREPRENEURSHIP MOTIVATION? A COMPARATIVE STUDY OF ROMANIA AND ICELAND

Laura Brancu<sup>1\*</sup>, Svala Guðmundsdóttir<sup>2</sup>, Delia Gligor<sup>3</sup>  
and Valentin Munteanu<sup>4</sup>

<sup>1) 3) 4)</sup> West University of Timișoara, Romania.

<sup>2)</sup> University of Iceland, School of Business, Iceland.

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### Abstract

The purpose of our study is to identify the linkage between national culture and the entrepreneurial intent for a specific demographic group. Thus, we set out to identify the differences induced by cultural context on the entrepreneurial intent of business administration bachelor students, from Romania and Iceland. The study is focused on underlining the motivations that can determine students to start their own businesses and analysing the extent to which the entrepreneurial motivations have cultural determinations (the classic model Hofstede dimensions). The method employed was a questionnaire-based survey, carried-out in both targeted countries. The independent sample t-test was used to identify the significant differences between the two groups of students. Based on the Hofstede's societal culture model (1980), the research calculates an indicator called cultural distance for four cultural dimensions: individualism/collectivism, power distance, uncertainty avoidance and masculinity/femininity, in order to highlight national cultural influence on the entrepreneurial process. The results indicate that there are significant differences between Romanian and Icelandic students; however, these differences are not explained by the cultural distance calculated for the two groups.

**Keywords:** entrepreneurial intention, cultural variables, Hofstede's model, Romania – Iceland cultural distance.

**JEL classification:** I21, L26, M16.

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### Introduction

In recent years, researchers have increasingly focused on entrepreneurship issues, emphasizing its role on economic and social growth and development, and in this respect a

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<sup>1</sup> Corresponding author, **Laura Brancu** –laurabrancu@yahoo.co.uk

relevant research led to the creation of the Global Entrepreneurship Index (GEINDEX) that summarizes the contextual characteristics of entrepreneurship for 65 countries. The study concludes that the interaction between institutions and entrepreneurship varies at different levels of economic development (ACS and Szerb, 2009). Seen as an activity that generates innovation, employment and long-term growth, entrepreneurship is considered by governments as a solution to economic and social problems (Thornton, Ribeiro-Soriano and Urbano, 2011). Creating new companies through private initiative, or the development of so-called "self-employment" means alternative ways of reducing unemployment, mainly in the current period, affected by the global financial and economic crisis. At the same time, we assist to a large diversification of approaches in entrepreneurship, in the way that that the phenomenon is studied under different angles of analysis. While some studies analyse the profile of a successful entrepreneur or its motivations, others evoke female entrepreneurship, youth entrepreneurship, or ethnic entrepreneurship (Bourguiba, 2008).

In this paper we study the entrepreneurial intention, which represents the first act of the entrepreneurial process. In general, the literature studying this aspect of entrepreneurship focuses on analysing the motivations and personal characteristics of individuals. At the same time, variables such as the institutional and contextual factors are less considered. We analyse the willingness of a person to create his own company, explained by individual needs of the potential contractor, by his environment as well as its cultural specificities (Boudabbous, 2011).

The entrepreneurship approach in terms of cultural context gives us a deeper understanding of the specificity of the studied phenomenon. That's because the mode of action of individuals depends on specific social cultural codes (Bayad and Bourguiba, 2006), that determine a certain preeminence of the social context on the psychological model of the entrepreneur. We focused on the influence of cultural and socio-demographic factors as variables that explain entrepreneurial intention. We consider that the entrepreneur is sensitive to his environment, being therefore affected by the cultural context of his country. Although individuals with entrepreneurial characteristics may arise in all societies and cultures, there are some individual features that are more stimulated by certain local cultural characteristics.

The aim of the paper is to identify the differences induced by cultural context on the entrepreneurial intent. The approach is a comparative one, because we study the entrepreneurial intent of BA bachelor students from Romania and Iceland. This work integrates, among others, the context of the problem of international comparative management. Despite the growing interest in comparative approaches, researches conducted on the subject are few. The comparative analysis of the paper focuses on the following main objectives: (1) to underline the motivations that can determine students to start their own businesses, (2) to analyse the extent to which the entrepreneurial motivations have cultural determinations.

## **1. Theoretical background**

Addressing the issue of entrepreneurship can be achieved through several perspectives. Several studies analyse the predictors of entrepreneurial act. The concept of entrepreneurial intention requires special attention, as it fits into the junction between the discovery process and the operating process. The factors that determine the entrepreneurial intent are studied,

including opportunities transformed into ideas, motivations of individuals to become entrepreneurs, gender differences, characteristics of the favourable environment for entrepreneurship or not.

While the entrepreneur should possess certain innate characteristics, he is nevertheless the product of his economic, institutional and cultural environment (Brancu, Munteanu and Gligor, 2012). The importance of socio-cultural factors on entrepreneurial decision is taken into account both in numerous scientific studies that highlight the role of gender differences (Shinnar, Giacomini and Janssen, 2012; Ozgen, 2012), of the social context (Thornton, Ribeiro-Soriano and Urbano, 2011; Drakopoulou and Anderson, 2007), of the institutional context (Busenitz and Lau, 1996) as in studies conducted by international organizations - European Union (European Commission, 2004, 2006). On the other hand, it can be said that the economic and personal factors were the focus of researchers (Thornton, Ribeiro-Soriano and Urbano, 2011). That may be because measuring how socio-cultural factors influence entrepreneurial propensity is quite difficult. In this sense, culture is defined as a software of the mind, as a collective mental programming (Hofstede, 1980), as a set of values and norms that shape individuals' perceptions about world and life. This programming is exerted through a lifelong learning process that starts in childhood. According to Pailot (2003), it is a process of entrepreneurial socialization, of learning that begins in childhood and is expressed in its path across national socio-cultural values.

From this paper's perspective, we consider that national cultural specificity is a significant variable in the analysis of entrepreneurial intention. Specialty studies have analysed the question of culture's consequences for entrepreneurship. Some have studied to what extent the entrepreneurs' motivations are related to national culture. Thus, while the model of leadership was highlighted from an intercultural perspective by Gupta, MacMillan and Surie (2004), other studies have demonstrated the influence of cultural diversity upon the entrepreneurial perception (Mitchell, Smith, Seawright and Morse, 2002), including ethnic issues (Constantin, Goschin and Drăgușin, 2010). These findings indicate that different cultural contexts influence the needs that support entrepreneurial behaviour. Also, national cultural characteristics can support / create higher or lower potential entrepreneurs. Some authors even consider that it is difficult to conceive an analysis of entrepreneurship from a unique and unanimous perspective - the psychological and behavioural qualities of the entrepreneur - and it takes compared and interdisciplinary studies which take into account the culture (Bayad and Bourguiba, 2006; Audet, Riverin and Tremblay, 2005; Gartner, 1989).

The national culture is a variable able to influence individuals' motivations, values and beliefs, and through them the entrepreneurial potential. An extensive study of Hofstede, Noorderhaven, Thurik, Uhlaner, Wennekers and Wildeman (2004) examined the relationship between entrepreneurship and economic factors as well as cultural and personal variables (level of dissatisfaction), indicating the presence of a relationship between cultural variables and entrepreneurial intent. For details, see Hayton, George and Zahra (2002) that have conducted a synthesis of the empirical researches on this topic. Most of the studies use the Hofstede model as an analysis framework (Hofstede, 1980).

As we already stated, measuring how socio-cultural factors influence entrepreneurial propensity is a difficult task. Thus, from a practical point of view, Hofstede's various studies facilitate quantitative comparisons between nations (Hofstede, 1980).

### 1.1. The Hofstede model

The initial work of Hofstede (1980) represents one of the most comprehensive studies of how values in the workplace are influenced by culture. It was realized in the subsidiaries of the IBM situated in 64 countries; later, the inquiry was widened, by including the students of 23 countries, the elites of 19 countries, the pilots of the commercial lines of 23 countries, the consumers of 15 countries and the managers of the public utilities of 14 countries.

Based on those results, Hofstede developed a model that identifies four primary dimensions to differentiate cultures: (i) *Power Distance (PDI)* which reflects the extent to which a society's members accept and expect power to be distributed unequally; (ii) *Individualism (IDV)* which shows the degree to which individuals relate to themselves and their restricted family, in opposition to *collectivism*, when individuals are integrated into strong and cohesive groups that protect them in exchange for loyalty; (iii) *Masculinity / Femininity (MAS)* which refers to the distribution of roles between genders, masculine cultures being much stronger and more competitive compared with the feminine ones, more modest and more concerned with quality of life; (iv) *uncertainty avoidance (UAI)* describing a society's tolerance to uncertainty and ambiguity, indicating the extent to which members of a culture feel threatened by unstructured situations. Subsequently, the Hofstede model added a fifth dimension, *long-term orientation* that focuses on the extent to which a society embraces, or does not embrace long-term devotion to traditional, forward thinking values. Due to lack of comparative results between Romania and Iceland regarding this dimension, we will not include it in our study. This model is one of the most representatives in analysing cultural values although its methodology is criticisable mainly due to the generalization of group results at a national level (McSweeney, 2002). For a critical analysis of the Hofstede model, see Hayton, George and Zahra (2002) and Tayeb (1994). Despite these criticisms, the model is often used in empirical studies and considered to provide a sufficiently valid measuring tool (Sondergaard, 1994).

The researches based on this model (Shane, 1993; Del Junco and Brás-dos-Santos, 2009; Mueller and Thomas, 2000; Hofstede, Noorderhaven, Thurik, Uhlaner, Wennekers and Wildeman, 2004; Hayton, George and Zahra, 2002) indicate that some cultural variables, like a high individualism, and a high masculinity may be associated with high propensity towards entrepreneurship. The results of Hofstede, Noorderhaven, Thurik, Uhlaner, Wennekers and Wildeman (2004) indicated a link between cultural variables and entrepreneurial intention, particularly in relatively poor western economies characterized by high power distance, low individualism and strong uncertainty avoidance. Mueller and Thomas (2000) conclude that cultural values such as individualism and uncertainty avoidance are significantly related to traits such as internal locus of control, risk taking, and innovativeness, which are associated with entrepreneurship. Hayton, George and Zahra (2002) argue that high individualism, high masculinity, low uncertainty avoidance, and low power distance are conducive to entrepreneurship. As for Del Junco and Brás-dos-Santos (2009), they underline that there is an impact of a country's cultural and social values on entrepreneurs' personal values. At the same time, the authors show that EU entrepreneurs show similar values, regardless of their country of origin.

Based on the findings of the studied authors, this paper aims to study dimensions of the cultural and social values held in Romania and Iceland, based on the Hofstede model. The study's purpose is to identify the values they have in common and those that differ, in order to compare results with Hofstede's values for the four dimensions (for Romania there is no calculated score for the fifth dimension - long term orientation). Considering the

dimensions of cultural and social values (power distance, individualism, masculinity and uncertainty avoidance), the paper aims to discover, on an exploratory level, which personal values are common and which are different. The paper is thus a novelty study of intercultural/compared management, applied to a particular social group that aims to identify the influences of cultural differences, related to a classical model, upon the development intentions of the studied group. Additional elements of novelty are given by choosing the two compared countries (the first study of its type between Romania and Iceland) as well as by using in the analysis of a complex variable called "cultural distance".

### **1.2. The cultural and entrepreneurial profile of Romania and Iceland**

A comparative study between Romania and Iceland is justified by the existing differences between the countries' historic, economic and political evolutions. The two countries are not only placed at geographical extremities of the continent, but they are also on relatively opposite sides of their historical processes evolution (only the 25 interwar years and the 25 post Cold War years can be equivalent in terms of social, economic and political systems), and it is therefore interesting to study to what extent such different developments could cause significant cultural differences.

In the case of Romania, we consider that the historic conditions played an important role in the construction of existing cultural values; the focus on the group as well as the acceptance of a power unevenly distributed are strongly connected to its communist past and also to its feudal system (Brancu, 2008). The communist system, which modelled the cultural values of the Romanian society, was very hierarchical, authoritarian and dictatorial. The power was concentrated at the top of the society, belonging to a small group. During this period, individual initiative, entrepreneurship, were almost cancelled, people being used to accept the decisions taken at the superior hierarchical levels (Bibu, Brancu, 2008), and the social confidence indicators damaged remain at a low level, highlighting a strong distrust, especially towards the institutional environment (Mitruț, Șerban and Vasilache, 2013). The importance granted to collectivist values is explained by the strong connections with the family, seen as source of comfort and trust (maybe because of the political secret police, Romanian people did not trust others). At the same time, the Orthodox Church was another factor who reinforced the authority respect, by preaching fatality, passivity and resignation.

However, it is important to notice that the Romanian cultural characteristics presented above have some consequences at the management level (Brancu, 2008): (i) the traditional character of business relationships, as well as the preference of Romanian people for a secure, sure work, even if it is less well paid; (ii) the manifestation of a limited spirit of entrepreneur; (iii) the tendency to be too dependent on their family but also on their manager; (iv) the high risk aversion and the preference for the short terms approaches, because of absolutism and the arbitrary use of power, the Romanian are cynical about authority; they also want to be kept far from the decision making process.

As for Iceland, the country's language and culture were mostly Scandinavian from the start, but there are some traces of Celtic influence. Today, Iceland is a developed democracy with a consumer economy based on fishing as well as tourism, aluminium smelting, and information technology (Vaiman, Sigurjonsson and Davidsson, 2011). Iceland has been found to place great emphasis on equality, equality of status, equality of the sexes, equality of opportunity and equality of conditions. Respect for authority in business context seems moderate. A very strong work ethic has been found among Icelanders, the workweek is among the longest in the world and the important role of work in obtaining individual

achievements (Olafsson, 2003). Icelanders have also been found to react positively and even optimistically to adverse nature comprising the “action poet” psyche of the nation and the “fisherman mentality” (Eyjólfsson and Smith, 1996). Icelanders have been found more tolerant of uncertainty than many other nations because of the ever-changing weather, earthquakes and volcanic eruptions. Thus, Icelanders are considered to be very flexible and positive regarding abrupt changes in the workplace. Entrepreneurship has blossomed ever since Iceland’s independence, but many entrepreneurs have either been insufficiently cautious or overestimated their abilities to manage a business of their own (Sigurlaugsson, 1993). However, Iceland has gained experience and ranks number 12 in the Global Entrepreneurship & Development Index (www.theidi.org).

When discussing the entrepreneurial profile, there are several classifications of international bodies that compare entrepreneurial activity between countries or groups of countries, all emphasizing a positive difference for Iceland regarding entrepreneurship activity. We shall refer in the following to the two most complex approaches. A first source of comparison between the two countries is provided by the Global Entrepreneurship & Development Index (GEDI) which ranks over 120 countries on the basis of their development and business expansion. According to the 2014 ranking, Iceland occupies the 12<sup>th</sup> position (67.5 / 100 points), while Romania is ranked 42<sup>nd</sup> (with a score of 44.6 / 100 points).

Starting from the premise that innovative spirit is a prerequisite for entrepreneurship, the EU created The Innovation Union Scoreboard (IUS) that gives a comparative assessment of the innovation performance of the EU Member States and the relative strengths and weaknesses of their research and innovation systems. Based on this year’s Summary Innovation Index, the Member States fall into the following four performance groups: (i) Innovation leaders - Member States where innovation performance is higher by 20% compared to the EU average; (ii) Innovation followers - Member States with a performance close to that of the EU average (between 90% and 120% of the EU average), group which includes Iceland; (iii) Moderate innovators - Member States where the innovation performance is below that of the EU average (between 50% and 90%); (iv) Modest innovators - Member States that show an innovation performance level well below that of the EU average (less than 50%), where we find Romania.

## 2. Research framework and problem statement

In the previous section, the cultural differences between the two countries were analysed rather on historical and social bases, without considering the Hofstede model scores. If we consider Hofstede's scores, we can devise a model that, besides the differences noted above, can identify from a mathematical perspective, the cultural distance between the two analysed countries.

For a numerical quantification of the cultural distance between Romania and Iceland, we will use the classical method described by Kogut and Singh (1988), with the general index of cultural distance between two countries  $CD_{RO-IL}^G$  (i.e. Romania and Iceland) determined by the following relation:

$$CD_{RO-IL}^G = \frac{1}{4} \left[ \frac{(I_{RO}^{PDI} - I_{IS}^{PDI})^2}{V^{PDI}} + \frac{(I_{RO}^{IDV} - I_{IS}^{IDV})^2}{V^{IDV}} + \frac{(I_{RO}^{MAS} - I_{IS}^{MAS})^2}{V^{MAS}} + \frac{(I_{RO}^{UAI} - I_{IS}^{UAI})^2}{V^{UAI}} \right] = \frac{1}{4} \sum_{i=1}^4 CD_{RO-IS}^i \quad (1)$$

where:

$I_{RO}^{PDI, IDV, MAS, UAI}$ ,  $I_{IS}^{PDI, IDV, MAS, UAI}$  - indices of the four dimensions of Hofstede model for Romania, namely Iceland;

$V^{PDI, IDV, MAS, UAI}$  - variances of the four dimensions for all the countries considered in the Hofstede model;

$CD_{RO-IS}^i$  - cultural distance between the two countries for the  $i$  dimension,  $i \in \{PDI, IDV, MAS, UAI\}$ .

To enable a categorization of the cultural distances so that the research assumptions can be grounded, we propose a second indicator to be used in tandem with the CD. It takes into account the actual difference between the two countries for a specific cultural dimension and the difference between its average and its extreme (minimum or maximum).

$$R^i = \max \left\{ \frac{\|I_{RO}^i - I_{IS}^i\|}{I^i - I_{\min}^i}, \frac{\|I_{RO}^i - I_{IS}^i\|}{I_{\max}^i - I^i} \right\} \quad (2)$$

where:

$\|I_{RO}^i - I_{IS}^i\|$  - the module of the effective distance between the analysed countries (Romania and Iceland);

$\bar{I}^i$  - the average for the cultural dimension  $i$  (Kandogan, 2012);

$I_{\min}^i$ ,  $I_{\max}^i$  - the extremes recorded for all countries included in the Hofstede model.

In this way, we can build the following model for the classification of cultural distance (figure nr. 1):

R	>1	Medium	High
	<1	Small	Medium
		< CD <sup>G</sup>	CD <sup>G</sup> CD <sup>i</sup> > CD <sup>G</sup>

**Figure nr. 1: Classification matrix of cultural distances**

Based on this model and taking into account the current values of Hofstede's cultural model, as well as the determinations of Kandogan (2012), we can determine the types of cultural distances between Romania (RO) and Iceland (IS), as shown in the table below (table nr. 1).

**Table nr. 1: Estimation of the cultural distances between Romania and Iceland (according to the Hofstede model)**

Cultural dimension	RO	IS	Mean	Variance	Min	Max	R <sup>i</sup>	Cd <sup>i</sup>	Cultural distance
PDI	90	30	64.00	492.8400	11	100	1.6666	8.3752	High
IDV	30	60	39.05	484.2675	6	91	0.9077	1.8584	Small
MAS	42	10	47.62	344.2970	5	100	0.7507	2.9741	Small
UAI	90	50	63.92	453.0737	8	100	1.1807	3.5314	Medium
CD <sup>G</sup> <sub>RO-IS</sub>	4.1848								

Based on data from Table 1 we can see that although the absolute differences between cultural profiles of the two countries are very high, the cultural distance calculated for each dimension is less significant. The significant cultural distance is recorded for the *Power Distance* dimension, Romania having the most significant one, which would cause a difference in perception regarding hierarchy, hierarchical structures (higher in Romania than in the case of Iceland), taking opportunities to change positions in society and acceptance of competition. The average distance in *uncertainty avoidance* (higher in Romania) would lead to higher acceptance of entrepreneurial risk and decisional independence for Iceland, a formalization of rules and procedures and a relatively greater dependence decision in Romania. The small distances between the two countries in terms of *individualism* (more pronounced in Iceland) and *masculinity* (more pronounced in Romania, Iceland being closer to minimum) show a relative uniformity in the achievement desire through efforts, skills and abilities and an acceptance of equal developing opportunities between genders. We also note that none of the two studied countries overlap the profile that supports entrepreneurship culture: high individualism, deepened masculinity, low uncertainty avoidance and low power distance (Hayton, George and Zahra, 2002).

Based on the cultural distances identified by the model proposed above and on the entrepreneurial profile highlighted in the studies presented, we propose the following research problem statements, developed considering the logical process: General differences between specific groups - Cultural differences between specific groups – Specific cultural differences between specific groups:

- P1: Is there a difference between Romanian business students and Icelandic business students in relation to entrepreneurial intent? - testing for differences in entrepreneurial intent of a specific group;
- P2: Do the cultural differences between Romania and Iceland intent determine differences in the entrepreneurship intent of business faculties' students? - testing the influence of national culture on the differences in entrepreneurial intent of a specific group;
- P3: Given that, according to the results in table 1, the relevant cultural differences between the two countries are recorded for PDI and UAI, which of these two cultural differences determines the most important differences in entrepreneurial intentions for business faculties' students? - testing of specific dimensions of national culture's influence on the differences in entrepreneurial intent of a specific group.

### 3. Methodology and results

According to the research's problem statement and based on previous similar studies, we considered the most appropriate research method is a quantitative one, a questionnaire based survey. Thus, we developed a questionnaire with 32 questions covering 2 areas: (1) socio-cultural information – relevant for characterizing the targeted sample and (2) entrepreneurial motivations. For each category (2) question, a five point Likert type scale was used, from not at all important (1) to very important (5). All of the items targeting entrepreneurial motivations in starting a business can be grouped according to the four dimensions of Hofstede's model, as shown in table 2 below.

**Table nr. 2: Entrepreneurial motivations' variable grouping**

Factor	Operational definition	Variable name
M_IDV	Achievement desire through personal strengths	Personal potential valorisation
		Redeeming personal ideas
M_MAS	Need for success and social status	Seeking fame
		Personal improvement
		Repeating admired success models
M_UAI	Assuming risk regardless of the environmental conditions	Unemployment avoidance
		Risk undertaking
M_PDI	Access to power and decision	Having decision power
		Seeking a higher income
		Seeking a flexible life schedule

This allowed us to identify four meaningful factors for each component, used hereinafter to analyse the entrepreneurship intention related to the effects of culture and education.

According to our research's goal, we formed two independent groups, as follows:

- Group 1: Iceland students who attended entrepreneurship courses;
- Group 2: Romanian students who attended entrepreneurship courses.

Both chosen universities are non-profit and apolitical public higher education institutions, part of the national higher education systems, offering a wide range of learning programs, recognized worldwide. We can therefore assume that both groups of students represent typical Romanian and Icelandic university students majoring in economics and business administration.

In order to foresee any possible differences in the entrepreneurship education offered by the two universities that could affect students' entrepreneurial interest, we next proceeded to compare the two universities' curricula, which allowed us to conclude that the content of their curricula is similar and thus no significant differences might occur.

Questionnaires with the same content were distributed within the two universities during the second semester of the 2013-2014 academic years. Their administration during regular classes ensured a 100% collection and a proper completion, thus using all of them for data analysis and resulting in forming group 1 of 148 students and group 2 of 115 students.

The information collected was processed using SPSS 17. Regarding the socio-cultural characteristics of the two studied groups, it resulted that group 1 (IS) includes young female majority (67.56%), mostly over the age of 21 years (99.3%), from the urban environment

(81.08%), integrated into the labour market (58.10% employees) who have contact with the business environment through family (59.46%) or through their social circle (58.10%). As for group 2 (RO), it is mostly made up of young males (53%), mostly over the age of 21 years (69.6%), with an urban living environment (84.3%), non-integrated in the labour market (73.9% unemployed), with contact with the business environment through family (63.5%) or through their social circle (71.3%).

Since our main goal is to examine the differences between the two groups, we analysed our data through inferential statistical test, namely independent sample t-test, used for reduced sample of subjects. Before conducting the test, we first performed a correlation analysis among the factors, to verify if the chosen test is the proper analytical method and, as seen in table 3, all of the factors show significant interrelations among them.

**Table nr. 3: Correlation among entrepreneurial motivations factors**

	Achievement desire through personal strengths	Need for success and social status	Assuming risk regardless of the environmental conditions	Access to power and decision
Achievement desire through personal strengths	1	.376**	.277**	.400**
Need for success and social status	.376**	1	.497**	.372**
Assuming risk regardless of the environmental conditions	.277**	.497**	1	.341**
Access to power and decision	.400**	.372**	.341**	1

\*  $p < .05$ . \*\*  $p < .01$ . \*\*\*  $p < .001$ .

Table 4 describes the means and standard deviations of each group: Icelandic and Romanian university students. The means represent the average perception with the overall entrepreneurial motivations scores for the groups on a five-point scale. Although it can be observed that there are different average perception scores for all of the four factors, results are not conclusive without examining their statistical significance, information provided by the t-test.

**Table nr. 4: Group statistics**

	Country	N	Mean	Std. Deviation	Std. Error Mean
Achievement desire through personal strengths	IS	148	4.432	.610	.050
	RO	115	4.156	.611	.057
Need for success and social status	IS	148	2.995	.576	.047
	RO	115	3.591	.665	.062
Assuming risk regardless of the environmental conditions	IS	148	3.057	.819	.067
	RO	115	3.726	.789	.073
Access to power and decision	IS	148	3.909	.660	.054
	RO	115	4.040	.633	.059

Table 5 reveals independent samples t-test information to ascertain whether there is a significant difference between the nationality groups in relation to their entrepreneurial motivations.

**Table nr. 5: Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Achievement desire through personal strengths	Eq. var. ass.	.004	.952	3.631	261	.000	.275	.075	.126	.425
	Eq. var. not ass.			3.631	244.961	.000	.275	.076	.126	.425
Need for success and social status	Eq. var. ass.	1.775	.184	-7.769	261	.000	-.595	.076	-.746	-.444
	Eq. var. not ass.			-7.631	226.181	.000	-.595	.078	-.749	-.441
Assuming risk regardless of the environmental conditions	Eq. var. ass.	.034	.853	-6.667	261	.000	-.668	.100	-.866	-.471
	Eq. var. not ass.			-6.698	249.258	.000	-.668	.099	-.865	-.472
Access to power and decision	Eq. var. ass.	1.805	.180	-1.620	261	.107	-.130	.080	-.289	.028
	Eq. var. not ass.			-1.628	249.674	.105	-.130	.080	-.288	.027

Results show that:

- For *Achievement desire through personal strengths*, the test revealed statistically significant difference between group 1 and group 2 ( $t = 3.631$ ,  $df = 261$ ,  $p < .001$ );
- For *Need for success and social status*, the test revealed statistically significant difference between group 1 and group 2 ( $t = -7.769$ ,  $df = 261$ ,  $p < .001$ );
- For *Assuming risk regardless of the environmental conditions*, the test revealed statistically significant difference between group 1 and group 2 ( $t = -6.667$ ,  $df = 261$ ,  $p < .001$ );
- For *Access to power and decision*, the test revealed no statistically significant difference between group 1 and group 2 ( $t = -1.620$ ,  $df = 261$ ,  $p > .001$ ).

In order to substantiate the results obtained by applying the t test for the two samples, we further analysed the variance between groups and within groups (table 6), the results reflecting that there are statistically significant differences between groups in terms of *Achievement desire through personal strengths* ( $p < .05$ ), *Need for success and social status* ( $p < .05$ ) and *Assuming risk regardless of the environmental conditions* ( $p < .05$ ).

**Table nr. 6: Variance analysis – ANOVA**

		Sum of Squares	df	Mean Square	F	Sig.
Achievement desire through personal strengths	Between groups	4.927	1	4.927	13.187	.000
	Within groups	97.507	261	.374		
	Total	102.433	262			
Need for success and social status	Between groups	22.973	1	22.973	60.356	.000
	Within groups	99.344	261	.381		
	Total	122.317	262			
Assuming risk regardless of the environmental conditions	Between groups	28.934	1	28.934	44.453	.000
	Within groups	169.884	261	.651		
	Total	198.817	262			
Access to power and decision	Between groups	1.105	1	1.105	2.623	.107
	Within groups	109.943	261	.421		
	Total	111.048	262			

### Conclusions and discussions

This study aimed to underline possible effects of national cultural differences on entrepreneurial intention for a certain demographic group. The obtained results reveal significant differences in entrepreneurial motivation: the desire for personal achievement is more intense for Icelandic students, while the need for success and social status, as well as assuming risk regardless of the environmental conditions are more pronounced in the case of Romanian students. However, these differences are not explained by the cultural distance calculated for the two groups; results indicate statistically significant differences for those dimensions that exhibit small or medium cultural distances (IDV, MAS and UAI) (as shown in table 2). We believe that the use of the "cultural distance" variable, as opposed to the cultural scores of Hofstede's model, offered us, for the present study, interesting results that allow a more thorough analysis of entrepreneurial intent.

The results indicate that a number of other factors, different from a national point of view, can affect entrepreneurial intent. Among these we underline macroeconomic variables such as the development level, the quality of the institutional context, the support given by national policies etc. In general, emerging economies are characterized by few support mechanisms for young entrepreneurs, as is the case of Romania, while Iceland, a highly developed economy, offers entrepreneurial development opportunities for young people, shaping their perceptions of entrepreneurial intent. From this perspective, the present analysis conclusions are in line with other studies in this area, confirming the role of macro-economic contexts on entrepreneurial intent: economic development (Zhao, Li and Rauch, 2012) and hence the quality of institutions and public policies (Manolova, Eunn and Gyoshev, 2008). At the same time, socio-demographic variables can affect entrepreneurial intention both directly (women are affected by the lack of institutional support, regardless of the studied country, as concludes Shinnar, Giacomini and Janssen, 2012 in a study conducted for China, USA and Belgium) and indirectly, through individual perception and attitude faced to failure (Allen, Elam, Langowitz and Dean, 2008). Likewise conclude Shinnar, Giacomini and Janssen (2012) in their study, considering that fear of failure is seen as a characteristic of rather personal nature than a cultural one.

We note, however, that this study has certain features which limit the generalization of our results. The study population consists of groups of young students in faculties of business administration who have similar demographic characteristics for both countries: age, education, area of origin, entrepreneurial tradition but its characteristics are atypical for the general population of those countries. For the Romanian business administration student profile, the conclusions of the analysis made by Brancu, Munteanu and Gligor (2012) indicate that the specific profile of this population is significantly different from the national culture profile. Particularly, the academic environment can be seen as a variable that customizes the studied populations, driving the decision taking process about future career and encouraging entrepreneurship. The results of Autio, Keeley, Klofsten, Parker and Hay (2001), study conducted on students from Finland, Sweden and USA, confirmed the positive role of the environment in shaping the entrepreneurial intention. For our study, the academic role in creating a positive attitude towards entrepreneurship is evident, as the analysed groups are composed of students with a business administration profile, while in the case of Autio, Keeley, Klofsten, Parker and Hay (2001), it was students with a technical profile.

As we already stated, the findings of this study cannot be extended to other demographic groups with other specific characteristics. To do so, further thorough studies are recommended, based on other professions, gender, age, environment, religion, as well as comparisons of more cultures, studies that could lead to other significant results.

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