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# ATTITUDES OF THE YOUTH TOWARDS ENTREPRENEURS AND ENTREPRENEURSHIP: A CROSS-CULTURAL COMPARISON OF INDIA AND CHINA

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## Abstract

This study argues that social support is an important enabler in entrepreneurial activity in a country or a region. One untested assumption in policy making has been that all regions are equally desirous of entrepreneurial activity and one policy could address issues in all regions. It was argued that attitudes towards entrepreneurs and entrepreneurship are important determinants for future entrepreneurial activity. These attitudes would be impacted by the familial occupational background of an individual and entrepreneurial development of the region which he/she comes from. It was hypothesized that more positive attitude would be seen in (i) people form entrepreneurial backgrounds, and (ii) entrepreneurially more developed regions.

These hypotheses were tested on more than 5,000 respondents in India and China. The results for familial occupational background's influence on attitudes found strong support in both India and China. Regional development showed stronger influence on attitude in India than in China. The findings, issues around measurement of attitudes in cross-cultural study, and implications for policy making are discussed.

Keywords: ATTITUDE, ENTREPRENEURSHIP, YOUTH, INDIA, CHINA, CROSS-CULTURAL

## Introduction

Entrepreneurs and entrepreneurship are arguably the pillars on which economic health of societies was built. Their role has been highlighted in opportunity creation through new ventures and maintenance of existing ones (Evans, 1942; Leibenstein, 1968). Entrepreneurship has been identified as the fourth factor of production that helps discover new frontiers leading to all round economic growth (Harper, 1991; Leff, 1979), and a resource that needs to be tapped by developing countries to enable them to compete in a globalizing market economy (Kanungo, 1998; Khandwalla, 1998). More recently, The Commission of European Communities (2005) reported that entrepreneurship is very important for further social development through increased job opportunities and consequent economic prosperity. Several developing countries have identified promotion of entrepreneurship as a focus area for governments, financial institutions, and academic institutions. The importance of entrepreneurial ventures in creating new job opportunities is highlighted well in Indian Information Technology (IT) sector. In Indian IT sector alone, Small and Medium Enterprises (SMEs) in aggregate turned out to be largest employers in the country in the last 10 years ("SMEs largest employers: Skoch," 2002). Similarly in China, in 2002, SMEs were responsible for about 60% of China's industrial output and employed about 75% of the workforce in cities and towns (China's small and medium enterprises: room to grow with WTO. http://www.usembassvchina.org.cn/econ/smes2002.html). High entrepreneurial activity is clearly the driving force behind the growth in India and China, both countries with large young employable population.

Global Entrepreneurship Monitor (GEM) carried out studies to measure entrepreneurial activities, their drivers and impact in several countries. It reported that India and China have consistently registered high entrepreneurial activities though the two countries had different patterns of support and investments in entrepreneurship (GEM Hong Kong and Shenzhen Report, 2003; Manimala, 2002). Despite differences in terms of government structure and political contexts in India and China (Malenraum, 1959), there are many similarities. Both countries have billion plus populations, rich cultural heritage of their own, large natural resource base, and are fast growing economies. Given that culturally they are quite similar (Hofstede, 1980) it would be interesting to study as to how entrepreneurs and entrepreneurship are perceived by youth in these two similar looking yet different societies.

Promoting Entrepreneurship in India and China

Successive government regimes in India have attempted to create conducive environment for entrepreneurs and make proposition the entrepreneurship attractive by providing support in three formats; (i) government policies favoring promotion of entrepreneurial activity; (ii) making financial support available; and, (iii) setting up of academic or institutional support for imparting entrepreneurial and business skills. Similarly, in China multi-pronged strategies for promoting SMEs have been formulated by the government. Such strategies have been supported by academicians and researchers' insights and advice (Gnyawali & Fogel, 1994).

First, at the macro level the government policies shifted from the promotion of state owned enterprises and strict licensing for private business promoters to encouraging private ownership of business in early 1990s. Reported experiences from the earlier regime suggested that difficulties in starting up businesses and handling the pressures of entrepreneurship in the initial phases deterred people from taking up entrepreneurship as means for livelihood. The grant of licenses, controls and taxations had been cited as one of the major hurdles in the setting up and running of new businesses (Awasthi & Sebastian, 1996; Gautam, 1979; Mokry, 1988; Sadhak, 1989; Singh, 1985). However, since liberalization of the Indian economy in the early 1990s, entrepreneurship had been encouraged in India by systematic attempts at removal of state imposed structural and regulatory roadblocks. More progressive governments had tried to make it easy for entrepreneurs to set up businesses. The growth of Bangalore and Hyderabad as hubs for organizations engaged in Information Technology business was direct outcomes of government's support in form of tax holidays to start-ups and other sector-region specific concessions to start new ventures.

Second, there were attempts to make finances available to businesses. In the earlier banking paradigm it was not so easy to get loans for starting new ventures or expanding current businesses. The Reserve Bank of India changed its outlook and urged banks to consider easier lending to small and new businesses ("Banking not equipped to promote SMEs: RBI," 2002). The Government of India also increased efforts in this direction. Small Enterprise Development Bill of 2003 included guidelines for banks and other government agencies to ensure easy disbursement of loans to new ventures (Gopalakrishnan, 2004). Subsequently, lowering of borrowing rates from the banks also made it easy for entrepreneurs to run profitable business.

The third form of support and development of entrepreneurial talent by various institutions came in the form of setting up training institutions for entrepreneurs. Setting up of national institutions such as the Entrepreneurship Development Institute at Ahmedabad is indicative of such thinking at the government level in India. Technical and management institutions such as the IITs and IIMs have set up special centers to support 'technopreneurs' and other innovators. These institutions provide basic technological and management know how and understanding of how to start and run a business, and also incubate new businesses till they are able to sustain themselves.

China has witnessed an economic history very similar to India in a broad sense though it has advanced much further than India (World Development Indicators, 2002). There has been a shift in Chinese government's philosophy of the state from being the sole care-taker of its people to becoming a partner and resource provider to the businesses by investing in the education of its youth and help in starting enterprises. The efforts got a further boost with a five-pronged strategy to promote SMEs in China under provisions of the Small and Medium Enterprise Promotion Law of 2003. The support came in the form of incubation support by government and its nodal agencies, directive to banks to provide easier lending to start-ups, easier funding from a new SME development fund, market development by networking of SME with large firms, transfer of new technologies to SME on a favorable basis, and provision of information services to SME by government agencies.

Societal Influence on Attitude

In both these context, the structural interventions were clearly made, but little was understood about the necessary cultural interventions to make a countrywide impact (Davidsson, 1995). At the heart of all these attempts of governments in the two countries there is an assumption that entrepreneurship is good and society, families and individuals at large view entrepreneurship as beneficial, and given the right incentives people would engage in entrepreneurship. This assumption, however, remains largely untested in these contexts. There is little work on studying the influence of societal attitude as an *a priori* factor on attitude towards entrepreneurs and entrepreneurship (Autio, 2005).

It has been shown in earlier work that attitudes of people are precursors to their behaviors (Ajzen & Fishbein, 1980). Past work in development of attitude has indicated that exogenous factors like social milieu have an impact on attitude and intentions of individuals (Ajzen, 1991; Kanungo, 1990; Kiggundu, Jorgenson, & Hafsi, 1983; Krueger, 1993). Negative attitude of people towards government policies have resulted in failure of attempts to promote entrepreneurship (Gnyawali & Fogel, 1994). This linkage between attitude and subsequent behaviors has been established in entrepreneurial behaviors as well (Krueger & Carsurd, 1993; Lee, Chua, & Chen, 2004). This study argues that it is possible that if the family and society at large views entrepreneurship as valuable and positive, youth will be encouraged to opt for entrepreneurship as a career.

As most policy making attempts are based on anecdotes, success stories and prescriptions documented elsewhere (Thomas & Mueller, 2000), a better understanding of societal attitudes would give insights for policy making towards promotion of entrepreneurship. In case, there is a positive attitude towards entrepreneurs and entrepreneurship it would be easier for policy makers to encourage entrepreneurship. They only need to offer programs that would encourage entrepreneurial activity in the society. On the other hand if the attitude is negative, policies would only be successful once the society is willing to accept entrepreneurial activity as something that is positive. In such cases wide-spread attitude change programs would have to be initiated.

# Effect of Familial Occupation

It has been found that socialization impacts an individual's attitude towards entrepreneurship (Brockhaus & Horwitz, 1986; Jackson & Rodkey, 1994). An individual's socialization takes place at home, at the place of education, and in other spheres of interaction. Socialization includes messages about what is good and positive, what lends status, what is valued by others etc. Family background and parental role-modeling has been found to be the most prominent factor that affects early socialization and hence formation of attitude towards entrepreneurship (Matthews & Moser, 1995; Scott & Twomey, 1988). Early communication received and imbibed by an individual from the family would impact career choices by inducing individuals to choose a career in which they are viewed positively by society. In Singapore, Lee and Wong (2003a, b) found that those showing more interest during programs on entrepreneurship were more likely to engage in entrepreneurial activity. The desire to study in entrepreneurship programs was, in turn, found to be higher in people coming from families with business as major family occupation. Together, these suggest that family's occupational background is likely to impact the preferences of individuals towards entrepreneurs and entrepreneurship. It is therefore hypothesized that

H1A: Familial occupational background of an individual will have an impact on individual's attitude towards entrepreneurs and entrepreneurship. Therefore, individuals coming from business or entrepreneurial familial occupational background will be more positive towards entrepreneurs and entrepreneurship.

Given that the two countries are culturally similar (Hofstede, 1980),

H1B: It is hypothesized that there will be no difference in the influence of familial occupational background on individual's attitude towards entrepreneurs and entrepreneurship in China and India.

Effect of Economic Development of Region

The extent of economic activity could also impact availability of resources necessary for entrepreneurship. Different levels of economic activity in a region give rise to a differential resource base for entrepreneurial activity that influence in the kind of entrepreneurial activity that could take place in that region (e.g., Davidsson, 1995, Lavoie & Chamlee-Wright, 2000). Regional development has also been posited to affect occupational choices (Parker, 2005) and formation of societal attitude towards entrepreneurship. Both India and China have regional imbalances in the economic growth leading to increase in regional divergence (Chaudhuri & Ravllion, 2007; Jian, Sacks, & Warner, 1996; Kanbur & Zhang, 1999; Sun & Dutta, 1997). Table-1A summarizes regional activity and contribution to India's GDP for different regions. The western and southern regions in India are entrepreneurially more active and economically more advanced; the eastern region is least active. Table-1B presents the regional economic activity in China. East China is the biggest contributor to Chinese GDP followed by South, North, West, Central regions respectively.

Table 1A India - Region's GDP Share (%) for 1993-94 to 2002-03

	1993-	1994-	1995-	1996-	1997-	1998-	1999-	2000-	2001-	2002-
	94	95	96	97	98	99	00	01	02	03
North	23.26	23.09	22.76	23.23	22.81	22.46	22.47	22.88	22.36	21.65
South	24.91	25.14	25.10	24.75	24.57	25.38	25.31	26.51	25.81	26.33
East	19.94	19.68	19.15	18.82	19.27	19.17	18.86	19.55	19.70	20.13
West	31.88	32.09	32.99	33.19	33.35	33.00	33.36	31.06	32.12	31.89

Source: Central Statistical Organisation

Table 1B China – Region's GDP Share (%) for 1995-96 to 2003-2004

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	1995-	1996-	1997-	1998-	1999-	2000-	2001-	2002-	2003-
	96	97	98	99	00	01	02	03	04
North	14.63	14.48	14.47	14.38	14.39	13.95	13.67	11.28	12.93
South	33.86	34.03	34.10	34.29	34.54	35.35	35.62	45.75	35.73
East	33.67	33.68	33.70	33.88	34.01	33.92	34.10	29.16	35.06
West	10.46	10.42	10.44	10.18	9.96	9.53	9.36	7.73	9.09
Central	7.38	7.39	7.29	7.27	7.09	7.25	7.25	6.07	7.19

Source: China Statistical Bureau

These regions also have different growth rates depending on the levels of economic activity in them. Table-2A presents average annual growth rates in per capita state income for India at 1993-94 prices for the period of 1993-94 to 2000-01. The southern region has shown highest average increase in income, followed by western region. The eastern India shows the least growth.

Table 2A India- Region wise % growth in income (1993-94 to 2000-01)

Region	Annual					
	Growth					
	<b>Rates*</b> (%)					
North	5.25					
South	6.2					
East	4.025					
West	5.275					
India	6.3					

<sup>\*</sup>At Constant (1993-94) Prices

Source: Economic Survey of Maharashtra 2002-03, Directorate of Economics & Statistics, Planning Department, Govt. of Maharashtra.

Table 2-B presents the annual growth rate for per capita income in different regions in China. The trends of growth are similar to those of contributions to country's GDP. The biggest contributor, East China region is also the fastest growing region in the country, whereas the smallest contributor (West region) is the slowest growing region within China.

Table 2B China- Region wise % growth in income (1995-96 to 2003-04)

Region	Annual					
	Growth					
	<b>Rates*</b> (%)					
North	9.80					
South	10.0					

East	11.5
West	9.80
Central	9
China	8.9

Source: China Statistical Bureau

The divergence also impacts the resource availability for setting up and running new businesses. For example, in India there is divergence in entrepreneurial and economic activity. Consequently, the regional imbalances in GDP share and growth were also evident in the number of registered companies in a region (Table 3) lending support to the argument that more developed regions are also entrepreneurially more active. In India, for example, the western region had the highest number of registered companies in the country and the eastern region has the least number of registered companies. Similar data was not available for China.

Table 3 India – Regionwise breakup of registered companies (2000)

Region	N	<b>%</b>
North	128410	27.40
South	100257	21.40
East	76625	16.35
West	163280	34.85
TOTAL	468572	100.00

Source: Indiastat.com

Past research in India has argued that there is a circular relationship between culture of a region and economic development. The economic activity in a region is a function of a normative pattern guided by the cultural milieu of a region. Moreover, developmental activity in a region gave rise to a positive spiral in the beliefs and values of the more active area compared to an area where no developmental activity was taking place (Alexander & Kumaran, 1992). Therefore, from Tables 2 and 3, it is quite evident that regional imbalances in economic activity are likely to grow further. It is also likely that regions having greater entrepreneurial developement activity would have more success stories, have presence of informal networks to support entrepreneurship, exhibit more resilience in case of failure, benefit from informal learning from social channels of communication, and encourage entrepreneurial activity (Lavoie & Chamlee-Wright, 2000). Together, they give rise to a positive spiral in favor of promoting entrepreneurship and entrepreneurial activity, thereby making the attitude towards entrepreneurs and entrepreneurship more positive in more developed regions. On the other hand, in less developed regions, there is lack of evidence of entrepreneurial success and therefore lesser examples from where one can learn about entrepreneurs and entrepreneurship. Together they result in a negative spiral that may lead to negative attitude towards entrepreneurs and entrepreneurship in lesser developed regions. Therefore, one can expect that the attitude towards entrepreneurs and entrepreneurship would be more positive compared to lesser developed regions.

Given the regional development and growth scenarios the attitude was expected to be most positive for West region and least positive for Eastern region in India. The North and South India were expected to fall in middle with not many differences. For China, Eastern China was expected to be the most positive in its attitude towards entrepreneurship followed by South and North regions. The Central and West China regions were the least developed and were expected to be least positive in their attitude within China. It is therefore hypothesized that

H2A: Within a country, regions with higher entrepreneurial activity would have more positive attitude towards entrepreneurs and entrepreneurship when compared to lesser developed regions.

Given that China and India both have regional imbalances in GDP and entrepreneurial development it is hypothesized that,

H2b: The trend will be similar in China and India.

Method

Operational Definition of Entrepreneur and Entrepreneurship

Despite the interest in the characteristics and phenomenon, there is little clarity on who is an entrepreneur and what entrepreneurship is (Cunningham & Lischeron, 1991; Kuratko & Hodgetts, 2004). An entrepreneur has been characterized as a leader manager (McClelland, 1961), innovator (Schumpeter, 1934), a risk taker (Brockhaus & Horwitz, 1986), an initiator and creative thinker (Hisrich, 1989, 1990) having internal locus of control (Rotter, 1966; as in Brockhaus & Horwitz, 1986), and different from managers (Penrose, 1995). It is still difficult to answer the question looming large for more than six decades now – who an entrepreneur really is (Evans, 1942)? It has been suggested that the definition of entrepreneur and entrepreneurship has to be conceptualized beyond setting up of new businesses (Shane & Venkataraman, 2000). Moreover, in developing countries, the boundary between small business owners and entrepreneurs is often blurred (Thomas & Mueller, 2000).

It has also been suggested that a broad phenomenon like entrepreneurship be understood in conjunction with its context rather being drawn from it (Lavoie & Chamlee-Wright, 2000). Therefore, a workable definition that spans across levels of success, size of activity, or social stratum in which such activity takes place was developed and used in this study. An entrepreneur is an individual who establishes and manages a business for profit and growth. The business is the primary source of income and it consumes majority of the time and resources of the entrepreneur.

Consequently, the activity of establishing and managing a business for profit and growth is called entrepreneurship.

# Instrument Preparation

A questionnaire was developed to assess attitudes of college youth towards entrepreneurs and entrepreneurship. Sixty four items were generated on the basis of past studies by GEM and discussion with entrepreneurs about their perceptions of people's reactions towards them. A 5-point Likert scale was used to measure the level of agreement. It was administered to 35 volunteers in a city in western India. These volunteers were asked to mark their agreement and also report difficulties in answering any of the items. Based on these responses twenty eight items were dropped because of the difficulties reported by the respondents in understanding the items or the inability of the items to yield differentiated responses. Also, respondents reported that they were more comfortable choosing the neutral mid-point option because it did not require them to commit to either side of the scale. The scale was therefore changed to a four-point one with strongly disagree, disagree, agree, and strong agree as the four anchor points in the next phase. Reflecting on the findings from discussions with entrepreneurs in the initial phase and failure to obtain important aspects of attitude in Likert type of items, the questionnaire was modified to include semi-projective items (Puhan, 1982). The modified questionnaire had 36 statements to measure attitudes on a five-point scale, two items for ranking various career choices to represent preference in a portfolio of careers (Henderson & Robertson, 1999), and three semi-projective items that required participants to choose one or more options as were found suitable to the situation.

The modified questionnaire was pilot tested on 80 undergraduate students in a city in west India, and to 120 undergraduate students in an East Indian city. Analysis of these responses resulted in dropping of 27 attitude measurement statements and minor modifications in the remaining nine statements. One negative item was reverse coded at the time of analysis. Out of three semi-

projective items in the pilot questionnaire, one was dropped after the pilot test. The use of a 4-point scale was also tested and it showed that it made the respondents to show their agreement or disagreement with the item and they did not seem unduly pressured in choosing one of the four options. Thus it was decided to retain a four-point scale to allow better measurement of attitudes towards a particular item/statement. These nine items were presented in the final questionnaire as Part A. The two items that required participants to rank order career choices and perception of corruption among professions were retained with minor editing in the final questionnaire as Part B. For the first item on rank order about career preference, marking rank 1 indicated highest preference for that career and so son. For the second item on perception of corruption levels in various professions, rank 1 indicated that the profession was perceived to be the most corrupt among the set.

Part C had two semi-projective items. The first semi-projective question was about evaluation of an individual's decision to leave a well-paying job to become an entrepreneur and what did the individual wish to convey through such an action. Entrepreneurship has traditionally been associated with own progress and contribution to the society by way of employment generation. If the general view upheld that progress of entrepreneurs was built upon exploitation of others, it would mean a negative attitude towards entrepreneurs. However, if the prosperity of entrepreneurs is believed to stem from their hard work and some other support, it would mean a more positive stance towards entrepreneurs and entrepreneurship. To clarify these, participants were asked to mark their perceived reasons for entrepreneurs being rich in the second semi-projective item. Participants were briefed that they could choose more than one reason if they felt the need for doing so. The choices included had positive and negative valences. Thus, if a entrepreneurs/entrepreneurship respondent negatively, viewed instrument would be able to record such responses. Finally, Part D had items related to demographic information of the participant. The demographic information asked for information about the degree program the participant was in, parents' highest educational qualification, major occupation(s) in their families, socio-economic status, and geographical region where the respondent had spent most of his/her life. The questionnaire had another section with some items for studying a different construct.

The questionnaire was developed and extensively tested in India. The final version of the Indian questionnaire was translated to Chinese and then back

translated following the procedure suggested by Brislin (1986) to English by two independent Chinese Professors of English in Tianjin University. One of the items was found ambiguous and it was subsequently dropped.

Sampling Procedure and Administration

The most probable source of future entrepreneurs is the youth of a country. They are the product of the society and reflect the prevalent attitudes (Scott & Twomey, 1988; Veciana, Aponte, & Urbano, 2005). Therefore it was decided to study the youth studying in colleges. This was also more practical as students in colleges are more accessible and with the help of colleagues in other colleges similar testing environment could be assured (Thomas & Mueller, 2000). All participant students in this study were volunteering college students. Participants were administered the questionnaire in a group setting both in India and China. The participants were told that it would take about 10 minutes to fill in the questionnaire. The administrator also read out the definition of entrepreneurship given in the questionnaire after handing out the questionnaire to the participants and clarified any doubts about the definition. They were assured of their anonymity and were requested to give spontaneous and candid responses.

Undergraduate students studying humanities, languages, and pure sciences in various colleges participated in this study. Students pursuing undergraduate degree in commerce streams and professional courses such as medicine, engineering, computer sciences were not included in this study. It was assumed that students in professional courses and commerce streams may be more favorably inclined to entrepreneurship because of their own readiness to become an entrepreneur after receiving a relevant degree. Thus their responses may be biased favorably towards entrepreneurs and entrepreneurship and may not be representative of general population.

In India responses were collected from five non-metropolitan cities each in the north, south, east, and west regions of the country by one of the authors or faculty colleagues in respective colleges. The cities were selected from RKSwmayBBDO database classified on the basis of living standards, facilities, and buying power of the city. The profiles of the cities were similar and representative of urban centers in the region. These cities were also study hubs for those who desired to opt for higher studies within the region (see appendix for list). Various colleges were contacted in each city, and the questionnaire was administered to volunteer participants in classroom settings. Therefore, the sample presented here is representative of

the educated urban youth in India. A total of 3,208 responses were collected in India.

The selection process to higher education in China ensures that students from all regions are represented in a single university. A nationwide entrance test is held and for every program in all national Chinese universities students are awarded a seat based on their rank and ranking of the university in the desired field of study. Participants in the selected disciplines (humanities, languages, and pure sciences) at four universities in Tianjin city of China were administered the questionnaire by a faculty member in a classroom setting. 3,000 responses in all were collected in China. The instructions and method of collecting data was similar in both countries.

## Data Analysis

The family occupations were initially divided into four categories of agriculture, business, service, and more than one occupation. If a participant spent most of his/her life in a region other than the region of data collection the response was dropped. Similarly, if a participant had left three or more responses blank the data was dropped. The data cleaning exercise resulted in 2,625 usable responses from India and 2,577 responses from China. The breakup of responses is shown in Table 4.

Table 4 Respondent profile breakup for China and India

_	China	,	India	
	%	N	%	N
TOTAL	100	2577	100	2625
Males	41.95	1081	46.84	1229
Females	51.34	1323	52.02	1365
Did not report	6.71	173	1.14	31
More than One Occupation	10.21	263	5.74	151
Business	7.02	181	26.74	702
Agriculture	18.24	470	12.11	318
Service	59.80	1541	54.17	1422
North	17.35	447	22.13	581
South	16.84	434	34.02	893
East	43.77	1128	19.43	510
West	8.65	223	24.42	641
Central	13.39	345	NA	NA

For respondents choosing "more than one occupation" for the family, several combinations were possible. Analysis of such responses became very complicated in respective occupation categories. Therefore, such responses were used for analyses only at aggregate and regional levels. These were excluded from analysis of family occupational background. 263 Chinese and 151 Indian responses were therefore lost for this category for analysis of major family occupation. Given the large sample size this did not influence analysis and interpretation. Agreement of respondents was measured for each statement in Section A in both China and India. The agreement reported here is a combination of "strongly agree" and "agree" choices. Similarly disagreement was calculated by combining "strongly disagree" and "disagree" options.

## Results

Table 5 presents the results at aggregate and regional level for agreement with nine statements in first section about attitudes towards entrepreneurs and entrepreneurship.

Table 5 Agreement with statements about entrepreneurs and entrepreneurship for the entire country and regional classification

<b>Description</b> &	China		India		Significance	
Classification basis					Significance	
	%	N	%	N		
Entrepreneurship is						
better than working	66.97	1,717	<b>75.90</b>	1,946	$t \text{ stat=}5.470^{***}$	
for others						
North	65.77	292	70.82	398		
South	70.97	308	77.36	687	China $\chi^2 = 44.179^{***}$	
East	63.85	717	80.84	405	India $\chi^2 = 45.470^{***}$	
West	70.72	157	74.39	456	India $\chi = 43.470$	
Central	71.26	243	NA	NA		
Entrepreneurs are						
popular among my	35.60	910	64.10	1 630	t stat=19.319***	
friends and my family	55.00	<i>)</i> 10	04.10	1,050	<i>i</i> Stat 17.317	
members						
North	34.55	152	66.73	373		
South	39.49	171	64.74	571	China $\chi^2 = 34.543^{***}$	
East	37.35	418	57.54	290	China $\chi^2 = 34.543^{***}$ India $\chi^2 = 31.445^{***}$	
West	34.84	77	66.22	396	India $\chi = 31.443$	
Central	26.82	92	NA	NA		

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When looking for a life partner for my sister/ cousin sister (myself) we would prefer an entrepreneur over a person who has a job	52.22	1,338	53.98	1,378	t stat=0.576
North South East West		221 590 128			China $\chi^2 = 14.721$ India $\chi^2 = 32.293 ***$
Central Entrepreneurs have good family life	51.32 43.75	175 1,121	NA 64.95	NA 1,664	t stat=14.232***
North South East West Central	44.14 46.77 43.25 37.22 45.32	196 203 484 83 155	64.35 65.88 63.13 65.63 NA	361 587 315 401 NA	China $\chi^2 = 28.102^{**}$ India $\chi^2 = 15.582$
Rewards from entrepreneurship are more in comparison to the hard work required	44.93		58.78	1,480	t stat=9.367***
North South East West Central	42.50 46.31 43.01 44.14 53.06	187 201 483 98 182	57.14 70.43 46.59 53.55 NA	612 232	China $\chi^2 = 31.447^{**}$ India $\chi^2 = 100.560^{***}$
Entrepreneurship is respected in my society	82.85	2,125	79.42	2,015	t stat=0.504
North South East West Central	80.22 83.64 83.13 82.96 84.26	357 363 931 185 289	80.72 84.79 70.22 77.98 NA	448 747 349 471 NA	China $\chi^2 = 20.604$ India $\chi^2 = 88.617^{***}$

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Entrepreneurs pay					
their employees	62.71	1,608	60.35	1,519	t  stat = 0.153
well					
North	59.95	265	57.30	314	
South	62.36	270	66.29	582	China $\chi^2 = 11.926$
East	63.79	717	55.42	276	India $\chi^2 = 34.144^{***}$
West	65.77	146	58.52	347	India $\chi = 34.144$
Central	61.22	210	NA	NA	
My friends and I need					
to become					
entrepreneurs to make	67.34	1,722	72.26	1,831	$t \text{ stat=}6.627^{***}$
India (China)					
prosperous					
North	65.53	289	70.81	393	
South	68.82	298	75.42	666	China $\chi^2 = 32.760^{***}$
East	64.11	718	72.60	363	India $\chi^2 = 25.529^{**}$
West	74.21	164	68.62	409	India $\chi = 25.329$
Central	73.98	253	NA	NA	
Entrepreneurs are rich	50.94	1,304	64.69	1,656	t stat=9.408***
North	51.58	228	76.07	426	
South	49.31	214	58.20	518	$China \chi^2 = 19.674$
East	48.39	542	59.96	301	India $\chi^2 = 76.121^{***}$
West	59.64	133	67.60	411	India $\chi = 70.121$
Central	54.84	187	NA	NA	
** 0' '0' / / 01	****	٠.		ΛΛ1	

<sup>\*\*</sup> Significant at p < .01; \*\*\*Significant at p < .001

Overall, the results for Indians show a significantly more positive attitude than the Chinese for majority of the items. The difference in attitude of youth from different regions was significant in India for eight of the nine items. For two of the items – entrepreneurship is better than working for others, and we must become entrepreneurs to make our country prosperous, the youth from lesser developed eastern region were more positive. In China the differences according to region were significant for five of the nine items. Of these five significantly different items, for three of them (better than working for others, popularity among friends and family and need to become entrepreneurs for our country), the youth from the poorest West and Central regions were more positive.

Thus, both in India and China the hypothesis that attitudes would be influenced by the region was only partially supported. Also the expectation of more developed regions being more positive got limited support.

Table 6 shows item wise results for the statements related to attitudes towards entrepreneurs and entrepreneurship classified by major family occupation in China and India.

Table 6 Agreement (in %) with statements about entrepreneurs and entrepreneurship for different occupations in China and India

<u> </u>	China	India			Significance
Classification basis					Significance
	%	N	<b>%</b>	N	
Entrepreneurship is better					
than working for others					China $\chi^2 = 15.738$
Business	70.00	126	<b>78.02</b>	536	India $\chi^2 = 16.311$
Agriculture	65.64	447	77.64	243	India $\lambda^{-10.511}$
Service	67.39	775	75.40	1045	
Entrepreneurs are popular					
among my friends and my					2
family members					China $\chi^2 = 116.908^{***}$
Business	63.54	115	68.84	464	India $\chi^2 = 20.096^*$
Agriculture	26.87	183	62.50	195	
Service	34.53	395	62.07	856	
When looking for a life					
partner for my sister/					
cousin sister (myself) we					
would prefer an					China $\chi^2 = 10.530$
entrepreneur over a					India $\chi^2 = 48.534^{***}$
person who has a job					India x
Business	60.77	110	63.61	430	
Agriculture	49.78	339	58.44	180	
Service	52.35	601	48.31	672	
Entrepreneurs have good					
family life		0.5		4.6.4	China $\chi^2 = 17.871^*$
Business	51.67	93	67.69	461	India $\chi^2 = 17.006^*$
Agriculture	43.40	296	68.69	215	mula /
Service	43.61	502	63.19	879	

Rewards from					
entrepreneurship are more					
in comparison to the hard					China $\chi^2 = 17.961^*$
work required					Cnina / 2 22 510**
Business	51.38	93	63.16	420	India $\chi^2 = 23.510^{**}$
Agriculture	44.12	300	60.77	189	
Service	45.60	521	56.88	777	
Entrepreneurship is					
respected in my society					China $\chi^2 = 19.067^*$
Business	85.64	155	82.39	552	
Agriculture	81.50	555	81.15	254	India $\chi^2 = 16.467$
Service	82.28	947	77.69	1069	
Entrepreneurs pay their					
employees well					China $\chi^2 = 18.791^*$
Business	64.09	116	65.20	429	Cnina ^ 10.751
Agriculture	62.81	429	55.70	171	India $\chi^2 = 21.342^{**}$
Service	60.96	701	58.71	809	
My friends and I need to					
become entrepreneurs to					
make India (China)					China $\chi^2 = 11.557$
prosperous					Cnina ^ 11.557
Business	66.30	120	76.97	518	India $\chi^2 = 27.444^{***}$
Agriculture	66.52	451	73.55	228	
Service	68.55	787	70.45	968	
Entrepreneurs are rich					
Business	53.89	97	65.49	444	China $\chi^2 = 14.741$
Agriculture	49.05	334	63.14	197	
Service	52.26	600	64.94	904	India $\chi^2 = 7.568$

\* Significant at p<.05; \*\* Significant at p<.01; \*\*\*Significant at p<.001 For China, those from families with business as major occupation were more positive in their attitude on all items except for the need to become entrepreneur to make China prosperous. The differences between various categories were, however, not significant in China (p=.05) for items on entrepreneurship being better than working for others, need to become an entrepreneur, preference to an entrepreneur as a life partner and viewing entrepreneurs as rich. Indian results showed youth from business families to be more positive in attitude for all items than those from families with service as the major family occupation. The differences between the three

occupational classes were significant at p = .05 or lower for seven of the nine statements. The hypothesis that family's occupational background would influence attitudes towards entrepreneurs and entrepreneurship was supported both in China and India.

In the second section the country level preferences for taking up entrepreneurship as a career were slightly different. Table 7 shows career preference ranking for various professions in China and India.

*Table 7 Career preference ranking (1= Most preferred)* 

	Chi	ina				·		Indi	a					
	MNC	Large	Small	Bank	Governme	Business	Academic	MNC	Large	Small	Bank	Governme	Business	Academic
Aggregate	1	2	7	4	5	3	6	1	5	7	3	2	4	6
Occupation														
Business	1	2	6	4	5	3	7	1	5	7	4	3	2	6
Agriculture	1	2	7	4	5	3	6	2	5	7	4	1	3	6
Service	1	2	7	3	5	4	6	1	4	7	3	2	5	6
Region														
North	1	2	7	4	5	3	6	1	5	7	3	2	4	6
South	1	2	7	3	5	4	6	1	5	7	4	2	3	6
East	1	2	7	3	5	4	6	1	3	7	4	2	5	6
West	1	2	7	4	5	3	6	1	5	7	4	2	3	6
Central	1	2	7	4	5	3	6	NA	NA	NA	NA	NA	NA	NA

Kruskal-Wallis test showed that all differences at occupational and regional levels are significant at p < .001.

Both Chinese and Indians showed strongest preference towards working in an MNC. The second ranking career preference was to work with a large domestic firm in China and to have a government job in India. Business was the third preferred option for the Chinese and ranked fourth for the Indians, who preferred working in a bank over owning a business.

There were no major differences in people's career preference ranking for various professions in China and India when analyzed according to region. In India, the more developed West and South India regions showed entrepreneurship or starting up an own business as the third most preferred option, whereas the North Indians ranked it fourth and the East Indians ranked entrepreneurial career preference in the fifth place. This trend for

India was as expected in the hypotheses about regional differences in attitude towards entrepreneurs and entrepreneurship.

Classification of responses on familial occupation basis suggested that youth from business familial occupation background preferred being entrepreneur compared to a person from service background in both countries. Chinese from a business families rated entrepreneurship as the third most preferred career choice and those from service background preferred it at the fourth place. Indian youth from business families preferred entrepreneurship in the third spot and those from service background preferred entrepreneurship fifth in their career choice. The results for career preference supported the alternate hypothesis that family's occupational background influences attitude towards entrepreneurs the and entrepreneurship in both India and China.

Table 8 presents the results for semi-projective item on the evaluation of the decision of a well qualified individual who leaves a well paying job to become an entrepreneur.

Table 8 Evaluation of choice of becoming an entrepreneur (Agreement figures in %)

							Becon	me				
					Reali	ze	indep	ende	More		Fami	ly
	Good		Bad		poten	tial	nt		Mone	ey	Not s	erved
	Chin a %	Indi a %	Chin a %	Indi a %	Chi na %	Indi a %	Chi na %	Indi a %	Chi na %	Ind ia %	Chi na%	Indi a%
Aggreg ate	51.96	35.8 1	6.25	15.1 2	82.2 3	42.5 1	68.1 0	40.3 8	50.7 6	35. 31	5.08	5.87
Occupa tion												_
Busines s	57.46	43.4 5	5.52	12.3 9	73.4 8	44.7 3	62.9 8	37.0 4	46.4 1	32. 48	5.52	5.56
Agricult ure	51.32	37.1 1	4.97	12.5 8	83.9 2	38.0 5	68.5 7	41.1 9	50.1 5	32. 39	4.24	6.29
Service	48.79	31.1 5	7.17	16.6 0	82.9 0	41.6	67.1 0	40.7 9	48.7 0	35. 51	4.92	5.27
Region												
North	52.13	32.1 9	6.49	19.6 2	79.6 4	42.5 1	67.7 9	46.1 3	48.3 2	39. 76	5.15	3.10
South	51.38	38.1	5.07	13.1	82.7	48.4	65.4	40.2	47.4	31.	6.22	5.94

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		9		0	2	9	4	0	7	58		
	51.51	28.8	7.00	15.1	81.7	41.9	68.7	43.5	51.4	40.	5 11	0 02
East	31.31	2	7.09	0	4	6	1	3	2	00	3.14	0.02
West	57.85	41.3	4.04	13.8	80.7	34.6	69.5	32.9	56.5	32.	1 03	5 02
Central	50.14	NΛ	6.00	NΙΛ	87.5	NΑ	68.9	NΙΛ	52.1	NΙΛ	3 18	NΛ
Central	30.14	INA	0.09	INA	4	INA	9	INA	7	INA	3.40	INA

All background and regional differences for positive items were significant (p < .01)

At an aggregate level both the Chinese and the Indian respondents have consistently agreed that the decision to become an entrepreneur was a good decision rather than a bad decision. Both the Chinese and Indian youth see becoming an entrepreneur primarily as a means to realize potential (82.23%; 42.51%), becoming independent (68.1%; 40.38%), and as an opportunity to earn more money (50.76%; 35.31%). The differences in choices about entrepreneurship are spread across regions and it is difficult to clearly decipher a trend in the attitude across regions in China. For India, the most developed west region was also most positive about viewing the decision to take up entrepreneurship with 41.34% respondents saying that it was a good decision. Only 28.82% respondents from least developed East Indian region marked this to be a good decision. Similarly the East Indian respondents turned out to be more negative than the western region respondent for the negative option of family not being served with such an action. Thus the hypothesis of regional development affecting attitude towards entrepreneurs and entrepreneurship in the region for Indian sample was supported.

Youth from business occupational background in both China (57.46%) and India (43.45%) agreed that the action of becoming an entrepreneur after leaving a well paying job was a good decision as compared to those from service background. The negative choices of entrepreneurial action being a bad decision and this action leading to dis-service to the family were rated lower by respondents from business occupational background than those from service occupational background.

The second semi-projective item was based on respondent's attribution of reasons for entrepreneurs being rich. Table 9 presents the results for the item

Table 9 Percentage agreement for attributions of reasons for entrepreneurs being rich

**Family** 

**Exploit** 

**Capable** 

Hard Work

	China %	India %	China %	India %	China %	India %	China %	India%
Aggregate	76.06	67.28	80.17	43.92	18.16	27.70	18.43	14.10
Occupation								
Business	74.59	71.94	77.90	45.87	16.57	25.64	13.26	13.25
Agriculture	75.58	66.67	80.99	41.19	16.96	25.47	18.27	13.52
Service	74.96	64.35	78.15	42.41	18.91	28.62	19.34	12.87
Region								
North	73.38	65.92	77.85	35.97	18.34	30.81	18.12	14.29
South	79.26	74.24	82.49	49.72	17.05	21.50	16.82	14.00
East	73.58	67.45	77.75	44.51	19.95	27.45	20.39	11.76
West	84.75	58.66	87.00	42.59	13.45	33.70	13.45	15.91
Central	77.97	NA	83.77	NA	16.52	NA	17.68	NA

 $<sup>\</sup>chi^2$  values were significant for first three differences between business and service class backgrounds for India (p<.01).

Attribution to internal factors such as hard work and capability would indicate positive attitude toward entrepreneurship and attribution to external factors such as exploitation of employees and family background would reveal negative attitudes (Weiner, 1974, 1980). At the aggregate level most Chinese (80.17%) attributed the richness of entrepreneurs to their capability followed closely by hard work put in by entrepreneurs (76.06%). Attribution to hard work was favored response in India (67.28%) over other attributions available.

Analysis of youth responses based on region and occupation did not yield any significant trend for China. However, there were some differences between regions in India. The west region showed less attribution to hard work and more attribution to capability and family compared to any other region indicating a strong influence of family background within the region. On familial occupation basis, more people from business occupational background than from service occupational background attributed richness to hard work (71.94% versus 64.35%) and capability (45.87% versus 42.41%). On the other hand, more people from service occupational background attributed richness of entrepreneurs to their inheritance from famly (28.62%) compared to those from business occupational background (25.64%). Together, these indicated that those coming from business class background were more positive about entrepreneurship than those from

service background. Therefore the hypothesis that family background would influence attitude was supported for this item in India but rejected for China. Table 10 shows the results for the item on perception of corruption levels in various professions. *Table 10 Ranking based on perception of corruption* 

1 1 .	•	c .	/1 1 T	
100015 1	ท ง/สหากบร	professions (	$I = I / I \cap \mathfrak{C} I$	( orrunt)
ieveis ii	n vanous	DI UI COSTUTIS		Corrupti

China							Ind	ia				
	Doctors	Govern ment	S in	Corporal Entrepre	neurs Manager	Ācademi cians	Doctors	ment	s Corporat	Entrepre neurs	Dank Manager	Âcademi cians
Aggregate	3	1	4	5	2	6	3	1	2	5	4	6
Occupation												
Business	2	1	4	5	3	6	3	1	2	5	4	6
Agriculture	3	1	4	5	2	6	3	1	2	5	4	6
Service	3	1	4	5	2	6	3	1	2	5	4	6
Region												
North	3	1	4	5	2	6	3	1	2	5	4	6
South	3	1	4	5	2	6	3	1	2	5	4	6
East	3	1	4	5	2	6	3	1	2	5	4	6
West	4	1	3	5	2	6	3	1	2	5	4	6
Central	3	1	4	5	2	6	NA	NA	NA	NA	NA	NA

All differences at occupational and regional levels are significant at p<.001. In China as well as in India, government officials were perceived to be the most corrupt and the academicians were perceived to be the least corrupt of all professions. Entrepreneurs were considered to be the second least corrupt indicating a positive attitude compared to other professions. The results showed no differences in preferences across regions or occupational backgrounds.

## Discussion

There is no data available from the past to be able to compare the attitudes of youth now to the past when the economies of both countries were in different stages of development to be able to make a referent comparison of how development has affected attitudes. This study reveals that by and large there is a positive attitude among the youth towards entrepreneurship both in China and India. The youth perceived entrepreneurship to be respected, rewarding, and a desirable profession for contributing to the country's development. However, from the rankings it emerged that entrepreneurship

was preferred much less than jobs with multinational companies, government, banks etc.

In the survey there were two sets of questions. One set of items were *proximal* to the self or extended self with items like entrepreneurship being better than working for others, popularity among friends and family members, and choosing an entrepreneur as a life partner, ranking the career preference, and one semi-projective item about evaluating the action of taking up entrepreneurship. The results show that the proximal items were better able to draw out differences between the two countries and occupational bases. The youth showed overall positive but cautious agreement with proximal items.

The second set comprised of *distal* items, i.e. items beyond self or extended self and related to understanding about entrepreneurs or entrepreneurship such as associating with a good family life, more rewarding, drawing respect, non-exploitative, and riches, the item about corruption levels in various professions, and one semi-projective item on the reasons for entrepreneurs to be rich. The results suggest that distal items were comparatively less effective in bringing about differences between the two countries at aggregate level, between regions and among occupational classes. They also were responded to more positively than the proximal items. These have implications for both theory and policy making.

It is evident from data analysis that as the questions became more specific to individual's actions and direct in measurement of attitudes attitudes were becoming less favorable. This possibly means that the youth find it good when someone chooses to be an entrepreneur and believe that entrepreneurs are good and entrepreneurship is positive. However, when it comes to their own actions they would prefer to possibly choose not become an entrepreneur and they may not even wish to work for a small enterprise.

Influence of Familial Occupation Background

The findings of this study suggest that in both China and India those coming from a business occupational background have a more positive attitude towards entrepreneurial activity. In both countries all measures of attitude towards entrepreneurs and entrepreneurship those coming from business family background were found to be more positive. Even in career choices and their understanding of why entrepreneurs are rich, those from business background chose positive options more often. In developing countries especially like India the family or clan that an entrepreneur belongs to may influence success in entrepreneurial attempts by way of greater familiarity

with entrepreneurs and better access to resources to start and run an enterprise (Sharma & Manikutty, 2005; Khanna & Palepu, 1997). This knowledge and resource advantage positively predisposes the youth towards entrepreneurship.

Greater knowledge of entrepreneurship may also be the reason for the trend in the semi-projective item of evaluating the action of an individual who left a well-paying job to start own business (Table 8). Those from business familial occupation background agreed lesser than service occupation background people to options such as greater entrepreneurial action leading to greater independence, as a means to realize potential or make more money. However, they were most positive about the decision to become an entrepreneur. It is possible that people from business occupational background have a better exposure to entrepreneurial efforts and do not romanticize it. They may be aware of the challenges of starting their own enterprise. For service background people, on the other hand the knowledge is second hand and therefore their perception is likely to be based on success stories published about entrepreneurs. These results clearly point to the influence of early exposure to entrepreneurship. In setting up programs and designing intervention to encourage entrepreneurship it may be best to provide inputs at higher secondary school level rather than after the person has completed professional/graduate level education or when the person has failed to get a job, which is unfortunately the target of most entrepreneurship development institutions.

The *macro* level results about regional growth differences leading to difference in entrepreneurial activity found little support in China, but moderate support in India. There could be several reasons for the weak support for regional development hypothesis. *First*, historical economic trends were not good enough variable given the intensity of high activity and growth typically in South India and West China at the time of data collection for this study (year 2005). The youth from both these regions were positive in attitude beyond expected trends. This could be indicative of regional "mood" of development and economic activity.

Secondly, since China has been on a growth and high entrepreneurial activity path for almost three decades now, the high entrepreneurial activity and attendant success in some economically more active regions of China may be inspiring people in less active regions to also view entrepreneurship as positive. Thus youth who grew up in the much lesser developed West China area showed positive attitude towards entrepreneurship.

Thirdly, the Chinese data was collected in a university in China that is located in the North East region. Though the students were from different parts of the country, the fact that the students from the west had been living close to Beijing in Northern China may also have influenced the positive responses. That is, even though their own region was less developed they viewed entrepreneurship as a positive driver to growth of their region having witnessed the economic development of Northern China.

Mere economic activity in geographic region may have been a poor measure of exposure to entrepreneurship. Thus in future research better measures may be used. For example, in India collecting data separately from communities who had traditionally been engaged in enterprise (e.g., *Marwaris* of Rajasthan, *Kumutis* of Andhra Pradesh, *Patels* of Gujarat) may be a better basis for the study of influence of region in attitude towards entrepreneurship.

Issues around Measurement of Attitudes

The results bring out two important factors in the measurement of attitudes. Firstly, there is support for the classic argument about triangulation of measures of the independent variable (Bickman & Rog, 1998; Cook & Selltiz, 1967) in the case of measurement of attitudes. The results show that for measurement of attitudes it is best not to rely solely on few direct items using the Likert scale to measure attitudes. Such measures are susceptible to social desirability. Greenwald (1990) and Greenwald and Banaji (1995) have argued that certain attitudes are so covert that they are difficult to measure in a direct of response using Likert-type items and thus other measures such as implicit association tests must be used to access such attitudes. This study also found that use of various types of measures that ask the question directly as well as indirectly are able to measure attitudes more accurately. If the study had used only the first nine items in Section A, the finding would have lead to the conclusion that the attitudes of Chinese and Indian youth were extremely positive towards entrepreneurs and entrepreneurship. However, rank order and projective items revealed that entrepreneurship was good for others but is not necessarily good if one were to take it up himself or herself.

Secondly, the value of asking the respondents to express their opinions when assuming various roles is established. For example, asking the respondent to evaluate the other group as an observer is different from asking them to think of different facets of the life of the other group as it requires them to express willingness to be part of the other group as a participant. In each of

the roles there is a different degree of intimacy and distance between the evaluated group and the evaluator. As the intimacy progresses the true nature of attitude is revealed (Singer, 1980) and one can get a clear picture of the actual nature of attitudes of the respondents.

Issues in Cross-Cultural Study

The study also offered several interesting insights for researchers engaged in cross-cultural surveys. Collecting of quantitative data on economic parameters in China posed challenges on several dimensions. The data on economic activity was easily available on public websites for India with different parameters carefully identified in the databases. The available economic data on China was not easily interpretable. Similarly, dividing India on regional basis was easy because of the commonly held categorization among researchers and practitioners about how regions are divided. However, it was difficult to obtain the same data for China. There are several existing conventions among Chinese economists and scholars of dividing the country into regions. The administrative and geographic divisions are drastically different. It required intense discussions with the Chinese author to arrive at a defensible geographical/regional categorization. There were also challenges in collecting data across countries where language of the respondents and the authors was different. The authors from India were fluent in English but did not understand a word of Chinese. The author from China was fluent in English but when it came to expressing some of the technical concepts she would find it difficult to explain them to the Indian authors. The team had to depend completely on her judgment to accept the final version of the translated questionnaire. In addition to translation which was done using the procedure suggested by Brislin (1986), there was the issue of the items being relevant and meaningful in both cultures. For example, there was an item that the Indian researchers had found to be relevant in India -"When looking for a life partner for my sister/ cousin sister we would prefer an entrepreneur over a person who has a job". In India this item was relevant because it is common for the entire family to be involved in choosing a partner and arranging the marriage in India. In China youth marry out of their choice and the family has a smaller role in the choice of the partner. This item would not be relevant in China thus it was changed to mean, "I would choose an entrepreneur as my life partner over a person who has a job".

Another issue in terms of questionnaire design was related to the responses towards negatively worded items. From the pattern of responses received

both in India and China it was clear that the respondents had difficulty in interpreting the negatively worded items. Such difficulties in responding to negatively worded items by non-native language speakers have been found in other studies as well (e.g., Cordery & Sevastos, 1993; Peterson, Speers, & Hughey, 2006). Thus we had to drop negative items or change most items to be positively worded.

In spite of accepting a template for data entry there were several mistakes and misunderstandings in data entry itself. In the interpretation of the trends each country group had to solely depend on the other group for the respective country's data interpretation. Having three researchers from one country meant they could argue and discuss among themselves about the meaning of the data from India but the Chinese author did not have that luxury. In both countries there was very little country-specific literature to refer to validate the interpretations. Thus, it had to be either validated using studies from other countries or intuitive understanding of researchers within each country and context.

As highlighted above, great care was taken to explain the issues and the finer nuances, but like most cross-cultural research, this project too was not "etic-error" free. This study was designed and developed by the Indian team who could understand the social milieu in India. Like their Chinese counterparts they had little or no idea about the exact picture of regional development in China and how it could impact attitudes of the youth. Though the design was explained to the Chinese side in detail and they agreed to the hypothesis for China, there is still a possibility that the regional classification was imposed on China and thus it found support in India and not in China.

# Policy Implications

The results of this study will help strengthen the argument that entrepreneurship is influenced by the past activities in the target region. Simple announcement of concessions and other policies may not lead to entrepreneurial activity unless people are convinced about the benefits of becoming entrepreneurs. The comfort level with entrepreneurship comes from exposure, presence of role models, a vibrant economy which is able to absorb risks and encourage risk-taking etc. Therefore, existing entrepreneurs and tacit knowledge about running enterprises would be a good source of motivation and information for people who would be interested in entrepreneurial activity.

These results here indicated that attitude to action linkage also needs to account for whether the attitude influencers are internal or external to the

person whose behaviors are under study. For influencing attitudes towards increasing entrepreneurial efforts, institutional and other forms of support have to be more directed to the individual to bring them out of mindset of not taking up such activity. In areas where the development and entrepreneurial activity are low, the policy interventions have to work at two levels. First, they need to create enough influence through distal means that would result in more efforts from the target region. The second step then is to create conducive environment and incentive structure for the individuals to take up entrepreneurship as a means for self-sustenance and other members of the community. The other caution is against finding or use of a blanket approach to improve entrepreneurship in all regions. Different developmental climates in different regions coupled with differential perception of entrepreneurs and entrepreneurship with different familial occupational backgrounds present a strong case of using differentiated approaches for regions and the familial background that an entrepreneur comes from. Entrepreneurial efforts of those coming from service familial occupation background need more support in order to attain success.

One common finding in India and China was preference of a stable well paying job over a riskier profession like entrepreneurship. The risk associated with entrepreneurship could be brought down with proper policy interventions designed to address relevant problems in the support structure in a particular region. This would require an all-round support from various stakeholders including government, planning agencies, supportive families, and willing would be entrepreneurs. Though entrepreneurship is seen as risky, this study shows that the youth is positive about it. Given the right boost and appropriate climate we may see more entrepreneurial activity.

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# Appendix

List of Indian cities with their region for data collection

S.No.	City	State
NORT	ГН	
1	Amritsar	Punjab
2	Jammu	Jammu and Kashmir
3	Rohtak	Haryana
4	Dehradun	Uttaranchal
5	Lucknow	Uttar Pradesh
SOUT	Ή	
6	Ernakulam	Kerala
7	Coimbatore	Tamil Nadu
8	Mangalore	Karnataka
9	Secunderabad/Hyderabad	Andhra Pradesh
10	Madurai	Tamil Nadu
<b>EAST</b>		
11	Bhubaneswar	Orissa
12	Raipur	Chhatisgarh
13	Ranchi	Jharkhand
14	Patna	Bihar
15	Guwahati	Assam
WEST	Γ	
16	Rajkot	Gujarat
17	Ajmer	Rajasthan
18	Pune	Maharashtra
19	Indore	Madhya Pradesh
20	Nagpur	Maharashtra