



The motivation of international entrepreneurship: The case of Chinese transnational form entrepreneurs



Pavlos Dimitratos, Trevor Buck, Margaret Fletcher, Nicolas Li*

Department of Management, Adam Smith Business School, University of Glasgow, Glasgow, United Kingdom

ARTICLE INFO

Article history:

Received 6 May 2015

Received in revised form 19 January 2016

Accepted 19 January 2016

Available online 29 January 2016

Keywords:

International entrepreneurial motivation

Transnational entrepreneurs

Case study

ABSTRACT

The ventures of transnational entrepreneurs (TEs) are a new business phenomenon, representing a fluid context in which established arrangements may be expected to change. In terms of one particular relationship, motivation has been found to be a key construct in international entrepreneurship (IE) research, with two established features of motivation comprising entrepreneurial vision and its implementation. At the same time, nationality has been found to be a consistent influence on entrepreneurial orientation through the impact of culture. Employing qualitative case study methods, this paper investigates these relationships in the new context of the internationalization of Chinese TEs socially embedded in their host and home countries. Subtle changes in established patterns of IE motivation are detected, and Chinese cultural influence may also be weakening to meet the environment of host countries.

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1. Introduction

Motivation has been found (Shane, Locke, & Collins, 2003) to play a key role in internationalization and international entrepreneurship (IE) (Busenitz & Barney, 1997; Hessels, Gelderen, & Thurik, 2008). Following Dimitratos, Voudouris, Plakoyiannaki, & Nakos (2012), the motivation of IE in this paper is analyzed into entrepreneurial vision and the participation of employees in the implementation of that vision.

The paper investigates these two dimensions of IE motivation in the new context of transnational entrepreneurs (TEs) in Small and Medium-sized Enterprises (SMEs) that continue to trade within their home country from a host country base. Drori, Honig, & Wright (2009, p.1001) define TEs as “. . . social actors who enact networks, ideas, information, and practices for the purpose of seeking business opportunities or maintaining businesses within dual social fields, which in turn force them to engage in varied strategies of action to promote their entrepreneurial activities”. TEs represent a challenging new phenomenon for the investigation of IE motivation, given their continued strong links with the home country, and definitions of TEs require them to have travelled to their home country at least twice a year for business purposes

(Portes, Guarnizo, & Haller, 2002). Thus, the home country context of TEs may be expected to be a continuing influence on the two aforementioned IE motivational dimensions. In addition, their dual embeddedness may be conducive to the identification of international opportunities that may be otherwise undetectable by traditional types of IE (Terjesen & Elam, 2009). This suggests that they can possess unique characteristics in terms of their IE motivation.

At the same time, this investigation also casts some light on a longstanding debate conserving whether national culture has a persistent influence on entrepreneurial orientation (e.g. Kreiser, Marino, Dickson, & Weaver, 2010). Specifically, Chinese national culture has long been associated with a particular entrepreneurial orientation, with implications for the motivation of IEs. However, TEs exposed to similar environments in two western host countries may be expected to re-fashion their IE motivation to match host country environments.

Thus, our two research questions are, firstly, *how do TEs sustain IE motivation through (a) their vision of an internationalization strategy, and (b) the participation of employees in the implementation of that vision?* Secondly, *are observed patterns of IE motivation in TEs' firms still consistent with home country national culture?*

To address these questions, case studies are employed to examine six Chinese TEs' firms, three hosted in the UK and three in Canada, two host countries with similar formal and informal institutions, chosen in order to check for consistency in our findings. These case studies represent one response to pleas for more research into IE in different international contexts

* Corresponding author.

E-mail addresses: pavlos.dimitratos@glasgow.ac.uk (P. Dimitratos), buck@glasgow.ac.uk (T. Buck), Margaret.fletcher@glasgow.ac.uk (M. Fletcher), c.li.10@aberdeen.ac.uk (N. Li).

(Wright & Stigliani, 2013). Although case studies cannot be expected to test hypotheses or develop new theories directly, new business phenomena such as TEs imply new bundles of resources, representing opportunities for new business attitudes, strategies or relationships, perhaps facilitating proto-theoretic contributions that at least indicate directions or questions for subsequent theorising (Doh, 2015).

It should also be stressed at the outset that our case studies constitute a theoretically interesting TE phenomenon and are not intended to be representative of all TE firms or even of all firms in the IT industry, since “. . . phenomenon-based research represents an important early phase in scientific inquiry” (Krogh, Rossi-Lamastra & Haefliger, 2012, p.279). This new TE phenomenon confirms the importance of two dimensions of IE motivation and SME internationalization strategies found in earlier research. The TE phenomenon (as represented by our six case studies) also provides evidence, consistent with the persistence of Chinese national cultural influence, in the form of the top-down communication of entrepreneurial vision. However, our six case study firms also displayed some very “un-Chinese” characteristics in relation to IE motivation in terms of the down-up involvement of employees in the implementation of internationalization strategies.

The rest of the paper is structured as follows. First, a literature review covers IE motivation, and TEs in general, followed by a specific consideration of Chinese TEs and the possibly continuing influence of China, their home country environment. Following a description of methodology, the case study findings are presented and discussed. The paper concludes with the limitations of the study and implications claimed for theory and business practitioners.

2. Literature review

2.1. IE motivation

Stressing the importance of studying motivation in entrepreneurship research, Herron and Sapienza (1992) comment that “. . . because motivation plays an important part in the creation of

new organisations, theories of organisation creation that fail to address this notion are incomplete”, and entrepreneurial motivation was initially developed in a domestic setting to explain the behaviour of the energisers of the entrepreneurial process (Johnson, 1990; Dunkelberg, Moore, Scott, & Stull, 2013). Emphasizing the cognitive perspective of entrepreneurs in general, motivation could separate those individuals who positively evaluate opportunities from those who do not (Shane et al., 2003), and entrepreneurial motivation has been variously classified as positive or negative (Deakins & Whittam, 2000), involving push or pull factors (Wilson, Kickul, & Marlino, 2007), dissatisfiers and motivators (Greenbank, 2006), intrinsic or extrinsic (Benzing, Chu, & Kara, 2009) and necessity-driven or opportunity-driven (Williams & Round, 2009) behaviors.

Extending entrepreneurial motivation into the international context, entrepreneurs are motivated to venture abroad in order to pursue market opportunities, access network resources, pursue knowledge and learning, access finance and reduce risk (Autio, Sapienza, & Almeida, 2000; De Clercq, Sapienza, & Crijns, 2005; Ellis, 2010; Kontinen & Ojala, 2011; Voudouris, Dimitratos, & Salavou, 2011; Wilson et al., 2007). The cognitive perspective of internationalization provides important clues about how entrepreneurs perceive and construct their proactiveness and opportunities in their home and host countries (Hmieleski & Baron, 2009) and IE motivation in this study relates to the initiation, direction and energisation of the behaviour of enterprise members towards internationalization (Geen & Shea, 1997).

Table 1 summarizes the literature on IE motivation and an emerging theme in this literature has emphasized the “softer” aspects of IE motivation. These studies suggest that IE motivation may be divided usefully into two dimensions. One dimension addresses the “why” question in relation to a strategy of internationalization: do entrepreneurs actively promote the firm’s international vision, since maintaining a clear international vision can affect international performance (Segaro, Larimo, & Jones, 2014)? The second dimension concerns the “how” question in relation to the implementation of an internationalization strategy,

Table 1
Key studies on international entrepreneurship motivation.

Author(s) (Year)	Investigated firms	Dimensions of IEM and their effects
Autio et al. (2000)	Finnish internationalised firms	Early internationalization confers a learning advantage as managers of the firm instil a more open, entrepreneurial culture throughout the firm.
De Clercq et al. (2005)	Belgian internationalised SMEs	Firms with an entrepreneurial mindset are more likely to develop a long-term, substantial presence in the international arena. Knowledge acquired from international activities is likely to be disseminated by managers of the firm to employees of the firm.
Dimitratos et al. (2012)	UK & US medium sized internationalised firms	Two imperatives for the entrepreneurial firm to compete successfully abroad are: first, activation of behaviour of middle- and higher-level employees towards entrepreneurial ventures abroad; second, top management team being receptive to employee ideas.
Elenurm (2013)	Estonian firms	Identifying an entrepreneur’s own vision of a business opportunity and implementing that vision facilitate the development of internationalization of the firm.
Gabrielsson et al. (2014)	Finnish international new ventures	Managerial vision towards internationalization/globalisation affects the international/global route of the firm, respectively, IE motivation positively affects the advancement of the firm at the early growth stages of the firm, while negatively at the late growth stage.
Oviatt & McDougall (2005)	Conceptual study	The perceptions of entrepreneurs towards opportunity and experience are key to the early internationalization of their firms.
Taneja, Sewell, & Odom (2015)	Conceptual study	Employee engagement is a long-term commitment supporting long-term organizational sustainability in international markets. Critical aspects of employee engagement are training and development, rewards, recognitions and engagement, manager-employee communication and interaction, and leadership and development.
Zahra, Korri, and J. Yu (2005)	Conceptual study	The cognitive models of managers of the firm and their predisposition towards internationalization are instrumental for its international entrepreneurial ventures.

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