

Networking and Culture in Entrepreneurship

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ABSTRACT

Case studies on three diverse cultural groups are used to investigate how culture influences entrepreneurial networks. The concept of a national culture inevitably refers to the dominant culture which fails to address the sub and minority cultures. A resultant void in literature exists that does not provide understanding of the relationship between culture and social networks within entrepreneurial activity. This paper explores social networking across three cultures, (one dominant culture and two minority) allowing the researcher an insight into the cultural differences within three very different entrepreneurial networks. The empirical results reveal that entrepreneurial networking is non-universal, rather it varies among cultures suggesting that entrepreneurial networking differs between entrepreneurs embedded into a dominating culture and entrepreneurs embedded within minority cultures.

KEY WORDS: social networks, culture, entrepreneurship, minority

INTRODUCTION

This study adds to the limited research undertaken on the interaction of culture and networking in entrepreneurial activity. The aim is to explore the influence of culture on entrepreneurial networking. The knowledge base on how national culture influences entrepreneurship is reasonably well researched as is the importance of social networks to entrepreneurship. What is missing is an understanding of the relationship between culture and social networks within entrepreneurial activity. This paper explores how social networking fluctuates across cultures enabling the researcher to then understand cultural differences in entrepreneurial networks. Both national dominating and minority cultures within society were investigated.

The paper reviews literature dealing with culture and entrepreneurship and literature on social networks and entrepreneurship followed by a more comprehensive review of literature on culture and entrepreneurial networks. This is then followed by an introduction to the empirical study covering the specific research questions and the applied methodology. This is further followed by discussion on three case studies of entrepreneurs' social networking from three independent cultures both including dominating and minority cultures.

Finally, discussion on the analysis across the three case-studies provides the findings to the raised research questions. These findings are then presented before the final conclusions are drawn.

CULTURE AND ENTREPRENEURSHIP

There is widespread belief that cultural difference can be a powerful determinant of regional or national variation in the ‘supply’ of entrepreneurship (Davidson and Wiklund 1995).

Empirical research on the issue is relatively scarce although there are attempts to explain large-scale economic development from a sociological perspective (McClelland 1961; Weber 1930). Previous research has been argued that societies holding different cultural values experience different levels of entrepreneurial activities (e.g. Shane 1992; Ettlie, Dreher, Kovacs and Trygg 1993; Shane 1993; Nakata and Sivakumar 1996; Tiessen 1997; Lee and Peterson 2000; Morrison 2000; Mueller and Thomas 2000; Thomas and Mueller 2000; Begley and Tan 2001). The relationship is not causal and simple, but instead very complex.

Inspired by Hofstede (1980; 2001), the general argument seems to be that *individualism* (e.g. McGrath, MacMillan & Tsai, 1992; Shane, 1992; Shane, 1993; Tiessen, 1997; Johnson et al., 1998; Lee et al., 2000; Morrison, 2000) and *masculinity* (e.g. Lee et al., 2000) has a positive association with a nation’s levels of entrepreneurship, whereas *uncertainty avoidance* (e.g. McGrath et al., 1992; Shane, 1993; Johnson et al., 1998; Lee et al., 2000; Morrison, 2000) and *power distance* (e.g. Shane, 1992; Shane, 1993; Johnson et al., 1998; Lee et al., 2000) can have a negative impact. From this we can conclude that culture may have an influence entrepreneurship. However, the idea that entrepreneurs embedded in a minority culture might be more influenced by their own minority culture than by the main dominating country culture is something that dominance in the ‘national culture’ fails to consider.

Defining culture on the country level is too generalised, stereotyping the national demography by only one facet of the social makeup. This paper however

broadens the concept of national culture to also include sub-culture and minority cultures. This enables a more sophisticated approach to understand how culture in general influences social networking by entrepreneurs.

SOCIAL NETWORKS AND ENTREPRENEURSHIP

In the case of social networks and entrepreneurship, a solid knowledge base prevails (see Hoang and Antoncic, 2003 and O'Donnell et al. 2001 for comprehensive reviews). Here it is general accepted that social networks is a strong influential factor on entrepreneurial activity. The social network approach argues that entrepreneurs are embedded into social contexts that influence the decisions which they take influencing the chances of successfully completing their plans (Greve, 1995; Jenssen and Greve, 2002; Jack and Anderson, 2002; Davidsson and Hoing, 2003). These social contexts are constituted by their social networks. Entrepreneurs' social networks consist of a variety of relationships to which entrepreneurs are connected. Those relationships can be constituted by formal relationships as well as social relationships, including acquaintances, friends and family (Evald et al., 2006). It is assumed that entrepreneurs obtain resources from the social networks – resources that are important and supplement what they already have in possession (Jenssen, 2001; Jenssen and Koenig, 2002; Greve and Salaff, 2003). These resources take on different forms ranging from financial capital, industry information, advice, emotional support and other pertinent general knowledge. It is the composition of the social network that to a certain degree determines which resources entrepreneurs can obtain from their network. Different social networks provide different resources to entrepreneurs (Jenssen, 2001; Jenssen and Koenig, 2002).

A GAP IN THE ENTREPRENEURSHIP LITERATURE: CULTURE AND SOCIAL NETWORKS

Research is evident on the interaction of culture in entrepreneurship together with substantial research on social networks and entrepreneurship. However, the relationship between culture and social networks together within entrepreneurial activity is not supported or explained within literature; it is more or less non-existent.

Johannisson and Mønsted (1997) argue that in the Scandinavian context of advanced welfare states, entrepreneurial networking is an important way to understand the closely intertwined economic and social spheres; specifically acknowledging the influence of culture on entrepreneurial networking (Johannisson and Mønsted 1997).

Other studies have collected similar data on entrepreneurs' social networks in different nations with use of surveys: US (Aldrich et al., 1989), Italy (Aldrich et al., (1989), Norway (Greve, 1995), Sweden (Johannisson and Nilson, 1989), North Ireland (Birley et al., 1991), Japan (Aldrich and Sakano, 1995), Canada (Staber and Aldrich, 1995) and Greece (Dodd and Patra, 1998). The interest was specifically within international comparisons. The main research question has been to investigate "... how culturally and diverse entrepreneurial networks are" (Dodd and Patra, 2002: 119). It should be recognised that the research agendas influenced the data collection in the different countries (Dodd and Patra, 2002). Some studies focused specifically on young entrepreneurs, some on women, and some on urban and rural groups (Dodd and Patra, 2002). The sample construction and questionnaire administration techniques also differed among the studies. Even though these limitations have to be acknowledged some international comparisons have been possible. Staber and Aldrich (1995) argued that: "at least some aspects of business networking are generic and that owners approach some tasks in similar ways in different environments" (Staber and Aldrich, 1995: 443). Further, Dodd and Patra (2002) summarise the studies' results in the following manner:

... in summary, the results from this series of linked (although not methodologically identical) studies indicate some homogeneity, suggesting a degree of generic universal entrepreneurial behaviour, and some heterogeneity, highlighting the importance of cultural differences (Dodd and Patra, 2002: 119).

Meanwhile as a critique of these linked studies, they also argue that many of the countries involved have "... a fairly high degree of cultural commonality" (Dodd and Patra, 2002: 119). The conclusions made by the Greek study are slightly more radical. The Greek study argued that culture matters to the nature of entrepreneurial networks, questioning the generic nature of entrepreneurial networks (Dodd and Patra, 2002). A less conclusive argument was put forward by Dodd, Jack and Anderson (2002) arguing that:

... while the general picture of a degree of broad international homogeneity in networking, offset by specific areas of national idiosyncrasy, continues to hold true, the network characteristics and activities of Scottish entrepreneurs display some interesting differences (Dodd, Jack and Anderson 2002: 217).

Research obviously seems to struggle on how to interpret the results. Sometimes emphasis is put on similarities among entrepreneurial networks across countries, and argument for a degree of generic entrepreneurial networking is put forward. Other times with focus on dissimilarities, entrepreneurial networking is viewed as cultural influence phenomenon. The problems with reaching an agreement might be due to the high degree of cultural commonality among the countries that so far have been investigated as put forward by Dodd and Patra (2002). This suggests that in the sense of investigating the interrelationship between culture and entrepreneurial network more culture diversity is necessary.

The research effort done by these researchers has to be appreciated in a wider context as they have collected important empirical data on what we see as an essential issue linking cultural and social networks. However, in order to improve our knowledge on culture and entrepreneurial networking there is a need for increased culture diversity research. Further research needs to broaden the cultural concept to include not only the main dominating cultures in a country but also minority and sub-cultures. So far, the interest has been on the dominating culture in a country. Countries have been equal to cultures, although it is known that each country consists of a range of different subcultures. In the entrepreneurship literature the acknowledgement of subcultures only appears in literature on ethnic entrepreneurship (Lincoln and Denzin 1994; Perry 1994; Reynolds and White 1997; Waldinger 1993) and Indigenous entrepreneurship (Foley 1999, 2005a, 2006; Fuller et al. 1999; Hunter 1999; Taylor and Hunter 1998). This literature clearly indicates that entrepreneurs embedded in different minority sub-cultures are somewhat different to the dominant societal groups.

THE EMPIRICAL STUDY

Research Objectives

In this paper, we aim to extend the knowledge on culture and entrepreneurial networking.

Basically three main research questions are raised:

- 1) Does entrepreneurial networking differ between cultures?
- 2) Does entrepreneurial networking differ between entrepreneurs embedded in a dominating culture and entrepreneurs embedded in a minority culture?
- 3) How does culture influence entrepreneurial networking?

Methodology: Three Intensive Case Studies

A multiple case study approach is applied in this study (Yin, 2002; Eisenhardt, 1989). The specific case studies were not originally completed for the purpose of this paper and although the three case studies used different methodologies; it is not the methodologies used that raise comment. Rather, it is the commonality of the outcomes discussed and explored that is of interest. Eisenhardt (1989) argues that choosing extreme cases might be a strategy in order to develop theory through case studies. In this research context, extreme cases imply cases that represent diverse culture as well as main dominating cultures and minority sub-cultures.

These two criteria are met. The three case studies include investigations on the social networks of mainstream Danish entrepreneurs, Native Hawaiian entrepreneurs and Indigenous Australian entrepreneurs.

Mainstream Danish Entrepreneurs' Social Networks

This study was carried out in 2002 and 2003. A representative sample of Danish entrepreneurs were surveyed upon their use of social networks throughout the business life cycle (Klyver 2004a; Klyver, 2004b; Klyver, 2004c; Klyver, 2005; Klyver, 2006). The name-generator approach was used (Burt, 1984). Here, respondents are asked to mention the people they have activated or talk to regarding a specific activity. In this case, the activity was the intention to start a business or their already established business. All in all 264 questionnaires – 239 in 2003 and 25 in 2002 were completed. Response rates on 92 per cent and 73 per cent were achieved in respectively 2002 and 2003. Questions were asked prospectively as the entrepreneurs were operating in one of the phases of the business life cycle. Memory bias was, therefore, avoided

Native Hawaiian Entrepreneurs' Social Networks

25 randomly selected entrepreneurs were interviewed in a qualitative study that mirrored the Australian study (described below). All interviews were undertaken in Hawaii in 2000 and 2001 (Foley 2005a).

Indigenous Australian Entrepreneurs' Social Networks

The case of Indigenous Australian entrepreneurs' social networks is based on both several prior research projects (Foley 2000; 2003; 2005a; 2005b; 2006) and recent case-studies spanning a period of 10 years. It involves sixty 'snowball selected' urban Indigenous entrepreneurs from geographical regions ranging from Hobart to Darwin. A grounded theory methodological application was used together with a semi-structured interview format. Substantive coding (open coding and constant comparative coding) was used for the analysis of interview data (Glaser 1992). The participants covered a broad range of industries that were far removed from the art, craft and tourism ventures that are stereotypically associated with Indigenous business activity.

THREE CASE STUDIES

Mainstream Danish Entrepreneurs' Social Networks

The amount of information collected in the case of Danish entrepreneurs' social networks and the amount of statistical analyses completed obviously is impossible to present here. Data were collected based on variables that included: network size, network density, share of family relations and share of business relations. The focus in this study was the *activated* social networks. It only included people involved in the activities that the entrepreneurs were experiencing and not all the other people that the entrepreneur may know.

The interpretation of the data revealed that social networks are rationally activated among people the entrepreneurs know according to the activities and decisions experienced by them at the time. Overall the entrepreneurs expect people in their networks to provide resources - otherwise the relationship would not have been activated and instead other and more useful relationships might have been commenced. However, few network members might actually

force their influence without being of any specific use. Normally, entrepreneurs have mutual obligations to those same network members and often are the results of entrepreneurs' decisions of specific importance to these people. It might be closely related family members like for instance a spouse. Whilst we acknowledge that family members play an important role for many Danish entrepreneurs, the results revealed that almost 40 % had no family members in their activated social networks. Family members tend to be influential in the start-up phase where they most often provide the entrepreneur with emotional support or financial resources.

Danish entrepreneurs' social networks are relatively dynamic. Their compositions and the people involved change during the business life cycle. In the main, it can be said that entrepreneurs in the discovery phase who are looking for opportunities to pursue rely on all the people they know in order to access non-redundant information. They try to activate social networks that are diverse in nature. As they move forward into the start-up phase, their social networks change towards becoming more convergent, producing stronger relationships. In this phase, the social network serves the purpose of providing the entrepreneurs with emotional support and for some this may also provide financial resources. The network again turns against a diverse structure with many weak ties (including business related ties) as the entrepreneur moves into the young business phase. Here the essence of the social network is to support the activity of exploiting the opportunity including attracting new customers.

Native Hawaiian Entrepreneurs' Social Networks

The Hawaiian entrepreneurs valued networking and networking skills as an essential business attribute. It was the networking within the wider Hawaiian community that gave them a market advantage. Native Hawaiians make up approximately 19.85 percent (U.S. Census 2000) of the population of the State of Hawaii.. The advantages of population size, population densities close to or in major cities and a history of limited disruption to family networks by the negative affect of colonisation allows Native Hawaiians to have a perceived advantage in comparison to Indigenous Australians.

Native Hawaiian entrepreneurs have been able to maintain strong cultural networks that are exceedingly important in their business pursuits, not only within the Hawaiian community, but also within other minority community networks as well. Interviews showed that long-term associations with other respected ethnic minority groups were invaluable in business interaction providing a market advantage as it allows the entrepreneur to access other market niches complete with their own suppliers and associated networks. This relationship is often multicultural as most if not all people involved in these networks are American-Chinese or American-Japanese. What was referred to as the 'coloured network' substantiated the dimension to the extent of minority networking. The commonality of these connections support cultural theory studies (Waldinger 1985). For example, previous research has shown minority groups gain access to resources by exploiting contacts or customers (Foley 2004).

Orbe (1998) refers to the central issue as a relationship between power and communication within the participant's culture. Native Hawaiian entrepreneurs exhibited the concept of power in their communication ability, which was directly related to their networking ability. This power is evident in dealing with coloured networks. Their businesses are positioned in niches to access resources necessary to exploit opportunities (Waldinger 1985) which supports the application of cultural theory in the dominance of a culturally accepted group with a resultant power and communication ability over non-coloured peers (Orbe 1998). The strength in the utilization of these resources and contacts from coloured networks allows a preferred alternative to mainstream, which is synonymous with aspects of Ethnic Enclave theory (Portes and Bach 1985). This is not suggesting that Native Hawaiian entrepreneurs follow Ethnic Enclave theory in their lack of conformity with mainstream society rather it is their ability to resource goods, services, labour and markets in both mainstream and minority markets that is their strength.

Hawaii is multicultural; Australia from the Indigenous Australian perspective is far from multicultural (Bennet 1999; Neill 2002). Hawaiian entrepreneurs did not normally experience discrimination in their business pursuits.

The development and utilisation of relationships with other organizations provides many opportunities for Hawaiian entrepreneurs to build industry credibility in addition to access of supplier and customer channels. Access to the customer base is crucial (Paige and Littrell 2002; Zhao and Aram 1995). Participants illustrated the importance of networking as in many instances business associate referrals make up a large percentage of their floor traffic, which proved to be the bulk of their cash sales trade. Without networking, people would not be referred to their business premises, some of which were in obscure, low rent areas. Networking is understood by many to be an underground movement in some ways as it often takes several years to tap into this network unless you have good family connections prior to the commencement of business on her return from the mainland. Once accepted into the Hawaiian business community and its market resources, from interview, it seems the Hawaiian grapevine works effectively in strengthening business market access.

Those involved in the retail sector adopt novel marketing strategies by a concerted effort to give back to the community that supports their business by well-organised sponsorship programs. In metaphoric terminology they farms customers, by planting seeds by sponsorship, getting youth involved in sporting programs (as evident in one example). They liked their continued sponsorship to be watering and fertilizing the client base. The rewards are reaped with customer loyalty when parents, family or friends then purchase merchandise from their businesses. This innovative marketing strategy has enabled many to maintain a niche market and degree of customer loyalty in spite of the market dominance of K-mart and Wal-mart discount department stores. Networking with consumers is a high priority in the management of retail businesses. To maintain loyalty, they also adopt a strategy of employing local staff in their principal retail outlets that are supported by the surrounding community. If they employ mainlanders (non locals), then they are employed in stores that target the seasonal tourist trade.

The key ingredient for success for Native Hawaiians is their ability to network, both horizontally and vertically within the marketplace. Their business success is culturally acceptable and a contributor to social status in Hawaii, this is a contrast with the results of an

Indigenous Australian study, which indicates that short-term community alienation may arise within the Indigenous community following an individual's business success (Foley 2000).

Australian Indigenous Entrepreneurs' Social Networks

The Indigenous Australian population is only 2.4%, (Australian Institute of Health and Welfare 2003). Networking was seen as an essential business activity, however unlike the Hawaiian examples; it was not within other minority groups or its own, as it was predominately undertaken with the dominant society of Anglo-Australia.

One of the most important factors influencing entrepreneurs during their years in business is their choice of role models and networks (Hisrich and Peters 2002). Only sixteen percent of participants in the Australian study are second-generation entrepreneurs; the remaining has no history of family members in business. The majority of Indigenous entrepreneurs were the first in their respective families to display entrepreneurial talents that resulted in business undertakings. On entering business many felt isolated. Networking was a key component to their survival. Several drew on the experiences and the skills of non-indigenous mentors who helped them establish key industry contacts that arguably would not have been possible previously due to negative stereotypes and discrimination.

Racial discrimination was widespread in the Australian sample. Indigenous female entrepreneurs faced additional problems when dealing with male trade suppliers as many did not seem to want to listen or communicate with them. The female entrepreneurs recognise the importance of networking however they are possibly precluded from reaching their full potential due to race and/or gender discrimination. Another common scenario also exists in the following example. This entrepreneur networks with non-indigenous people and is somewhat hostile towards his Indigenous community contacts:

... in business I can't afford to mix with black people, in community I mix but in business I can't. During business hours and during my business time I cannot afford to mix with black people because black people [Indigenous Australians] do not give me access to things I need. They do not give me access to business connections. Indigenous people have not developed enough to provide these things for me, so therefore it is in my best interests to mix with white people (A3, interview).

A3 is driven by what perceived as a business necessity to deal with non-indigenous people. Networking opportunities with Indigenous peers are non-existent as he works within a business environment managed by non-indigenous people. His Indigenous staff work in reception or low level menial positions as this participant feels that the expertise and knowledge that he needs can only be found within the non-indigenous sector. This was a common situation experienced as Indigenous businesses are forced to find expertise outside of the Indigenous community. Necessity drives them to network within mainstream business contacts. The ability to network across cultural and/or racial barriers is essential however the more experienced entrepreneurs confirmed that this arises only after years of experience and exposure to the mainstream business world.

Networking enables the Indigenous Australian entrepreneurs to achieve their strategic goals; the downside is that this networking almost inclusively is within the dominant society. In all cases networking has enabled the participants to develop and make use of relationships with suppliers and other organizations and in the process provide increased opportunities to build credibility, a positive image and customer access (Zhao and Aram 1995). Building credibility and a positive image are important concepts when one has to confront racism within the business world. Networking provides role models, industry advice, the sharing of experiences, and access to suppliers and customers (Dollinger 2003; Kuratko and Hodgetts 2001). It is seen as a strategic and a purposeful activity by Indigenous entrepreneurs to gain entry into markets that are non-indigenous. Networking enhances the Indigenous entrepreneur's ability to succeed and survive (Paige and Littrell 2002). Perhaps the most important aspect of networking, as outlined in this study, is that it allows the participants to obtain a positive image and industry credibility (Zhao and Aram 1995). Yet at what price does networking cost? The Indigenous Australian entrepreneur to succeed in business appears to be enculturated into the mainstream business world, no example of ethnic theory or co-cultural theory was evident. It is not always well accepted in Indigenous societies that entrepreneurs primarily interact with the mainstream business world. Therefore, it can be a difficult social decision for entrepreneurs to make.

COMPARING THE THREE CASE STUDIES

The three cases show how entrepreneurial networking differs dramatically among entrepreneurs embedded in different cultures. Table 2 below outlines the main differences in entrepreneurial networking practices adapted by mainstream Danish entrepreneurs, Native Hawaiian entrepreneurs and Australian Indigenous entrepreneurs.

Table 2: Comparative analysis of the three cases

	Mainstream Danish entrepreneurs	Native Hawaiian entrepreneurs	Australian Indigenous entrepreneurs
Drivers for activation of relationships	Rational choice	Seen as an offshoot of cultural respect for others, spontaneous and genuine in its outcomes	A necessity, often no social or human capital within own networks, therefore need to obtain wider networks to commence business
View of network	A resource	Culturally accepted	A necessity
Role of family	Important to some entrepreneurs.	Very important and supportive	Negligible, most cases negative.
Dynamics	Networks are very dynamic. Entrepreneurs activate different person according to the activities that they confront	'coloured network' dynamic	Dependence on racial acceptance
Diversity	Have very diverse networks.	Very diverse any well maintained	Limited,
Business relation	Relatively many business relations, but dependent on where in the process the entrepreneurs are operating	Many and very personal, they take an avid interest in their networking partners	Dependent, therefore there is a power imbalance
Relationship between social and business spheres	Overlaps exist, but not highly integrated.	Highly integrated	Separated.

Seven key dimensions were found that distinguish approaches to entrepreneurial networking adapted by entrepreneurs in the three cultures: drivers for activation of relationship; view of network; role of family; dynamics; diversity; business relations; relationship between social and business spheres.

CONCLUSION: CULTURAL INFLUENCE AND MECHANISMS

Research Question 1: Does Entrepreneurial networking differ between cultures?

This study analysed markedly more diverse cultures than what previous research has managed to achieve. As fundamental differences in networking practice were found among entrepreneurs in the three cultures, the study supports Dodd and Patra's (2002) argument. They argued that the reason why differences in networks so far have not been found in previous research is due to cultural commonality among the countries that have been studied.

In 1980 Lonner introduced different universal relationships into cross-cultural management literature. Simple universality means a phenomenon is constant worldwide. Variform universality refers to a general relationship that holds across countries, but which is moderated by culture and functional universality refers to situations where relationships are the same within groups. These three dimensions allow researchers to think more carefully and sophisticated upon the nature of universality (Dickson et al., 2003). It is not longer a matter of either being totally universal or totally cultural determined.

Empirical results obtained in this study reject the concept of simple universality, however they support variform universality. Social networks seem important to entrepreneurs in all three cultures. What is important to understand is that it is the utilisation of networking that differs dramatically. It can therefore be argued that culture moderates social networking practice adapted by entrepreneurs. No support for functional universality was found in this study possibly because of the high degree of diversity between the three cultures investigated. The idea of functional universality however should not be rejected completely. It may –as earlier studies have indicated – be evident in like or similar cultures.

Research Question 2: Does entrepreneurial networking differ between entrepreneurs embedded in a dominating culture and entrepreneurs embedded in a minority culture?

In this study differences were found in networking practice between entrepreneurs embedded in dominating culture and entrepreneurs embedded in minority culture. However, our interpretation suggests that most of these differences had nothing to do with the cultures being either dominating or minority. The only key difference appears to be entrepreneurs embedded in minority cultures have to consider two cultures simultaneously. Their networking activities need to consider the expectations from both the majority as well as their minority culture.

Subject to the content of these cultures it might be easy to integrate these cultures (as in the case with Native Hawaiian entrepreneurs), yet it can also be difficult and often associated with huge personal and social decisions (as in the case with Indigenous Australian entrepreneurs). When cultures are difficult to integrate it may result in a disintegration of social frameworks. In some minority cultures (as in the case with the Indigenous Australian culture) interacting with the majority culture is a difficult choice as it is not an appreciated behaviour. It is perceived as violating the social framework and is capable of causing identity crises alienating those who do so. It is indicated from this study that the intensiveness of the problems associated with integrating the majority and the minority cultures is influenced negatively with the relative size of the minority population compared to the majority population as well as positively influenced due to the demographic spread and isolation of minority groups.

Research Question 3: How does culture influence entrepreneurial networking?

Social networking is a way of creating and maintaining identity; as is entrepreneurial networking. Culture defines norms and rules on what is accepted and what is not accepted. Culture can limit the people to whom a person can interact if they want to withhold their identity and keep being accepted within their culture. If people interact in contrast to norms and rules institutionalised in their culture they will be – or at least feel – expelled from their culture. In that sense, culture – through identity and through the need to be socially accepted - moderates how entrepreneurial networking can and are carried out.

In conclusion this paper provides the reader with a new perspective on how culture interferes with entrepreneurial networking.

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