The Formative Blend of Culture and Education in Entrepreneurial Development

Rodrigo Velasco

Abstract. Culture and education are two of the most valuable shapers of entrepreneurship. The former emanates from the numerous factors as historical roots, religious beliefs and tradition whereas the latter develops from the curricular formation of higher education. This study underscores the role of religion and higher education in the development of an entrepreneur. It is anchored on the blend of primary and secondary data. The personal assessments of 286 business students in one of the private colleges of Oman were supported or refuted by the gathered secondary data. The descriptive-quantitative method focused on Omani entrepreneurship, religious sources of entrepreneurial values and the extent of influence of entrepreneurship education on entrepreneurial intention and entrepreneurial values. The results showed a strong influence of religion and education on the students entrepreneurial development. The Islam religion is perceived as a rich source of entrepreneurial values and practices while business education developed entrepreneurial mindset. The study is a valuable input to the teaching of entrepreneurship in colleges and universities. As such, the religious source of entrepreneurship should be recognized. The entrepreneurial values from the teachings of Islam must be promoted and developed. Meanwhile, the education needs to focus more on the actual practice of entrepreneurship. The teaching and learning should involve application rather than pure theoretical approach.

Index terms: entrepreneurship, entrepreneurship education, entrepreneurial development, culture and education

I. INTRODUCTION

Culture and education are two of the most valuable shapers of entrepreneurship. The former emanates from the numerous factors as historical roots, religious beliefs and tradition whereas the latter develops from the curricular formation of higher education. According to Purcarea (2015), culture is passed on from generation to generation through beliefs and attitudes. Meanwhile, Owoseni (2009) gives the role of developing skills, ideas and managerial capabilities for self-employment to entrepreneurial education. The blend of these two aspects promotes a rounded well-being more inclined to entrepreneurial empowerment.

Anderson, Drakopoulou-Dodd & Scott (2000) believe that culture is passed on in three ways: vertical (family), horizontal (society) and oblique (education). The legacy of parents to offspring forms part of the fundamental cultural background. This is further enhanced or refuted by the societal influence thru various forms such as media, trends and fads, peers and societal norms among others. The role of education as a change agent is very much crucial in this sense.

It either propagates the old context of cultural backgrounds or develops it to a whole new paradigm in the turnover of time.

In the context of entrepreneurship, it is believed that culture has strong influence in the entrepreneurial values. The study of Fitzsimmons & Douglas (2005) affirms that there is a significant correlation between entrepreneurial behavior and national culture. According to Koterskit (1993), the root of this culture is religion. For instance, the Islamic entrepreneurship is attributed to the teachings of the Holy Quran (Gumusay, 2015). Researchers agree that the religious beliefs shaped individual attitudes and behaviors whereas education formatively develops the entrepreneurial skills. Education influences the individual cultural values towards their level of entrepreneurship (Hayton, Zahra, & Zahra, 2002).

This study underscores the role of religion, as the root of culture, and higher education in the development of an entrepreneur. While there are a number of studies measuring the extent of the entrepreneurship education, there are limited researches on the value of religion in the development of individual values. Furthermore, studies either focus on the religious context of entrepreneurship or the multiple facets of entrepreneurial education. There are limited studies on both the religion and education. This is the gap that the current study addresses.

This study particularly aims to measure the perception of the business students with regards to religion and entrepreneurship education. It will quantify: (1) Omani entrepreneurship; (2) religious sources of entrepreneurial values; and the extent of influence of entrepreneurship education on: (3) entrepreneurial intention and (4) entrepreneurial values.

II. LITERATURE REVIEW

1. Role of religion in entrepreneurial development

There is a notion that some nationalities are more entrepreneurial than others. Ajekwe (2017) explains the difference in the context of cultural differences in values and beliefs. This is affirmed by Russell (2004) identifying two conditions including entrepreneurial role validated by set of cultural values and access to necessary resources through institutions and procedures. Different countries vary in these two conditions. This is further stressed by Abzari & Safari (2009) through the two social conditions in entrepreneurship which are: social acceptance and access to resources. These sets of conditions are somewhow manifested by culture.

The entrepreneurial orientation of a person is part of his values and beliefs. According to Gilder (1971) the common mindset is highly influenced by cultural attitudes to which entrepreneurship is supported. Whether it is shared or personal, it is significant (Dondo & Ngumo, 1998).
The cultural values are passed on through family and society. Deakin (1996) believes that entrepreneurship encompass family life. Pistrui (2005) thinks that family creates entrepreneurial mindset across generations through the longevity of the family business. This is similar to the context of family business in the Middle East. Pistrui & Fahed-Sreih (2010) describes family businesses in the region as entrepreneurial-led, owner-managed and financially-controlled.

The culture in the Middle East is highly influenced by the teachings of Islam. According to Berger (1991), religion is an important cultural root. It introduced entrepreneurial values which laid the foundation for family business. In the same context, the religion acts as the basic tenet that shapes Muslim entrepreneurs. According to Weber (1976), the values and beliefs inculcated through religion affect entrepreneurial. In the Islam religion, Al-Natur et al (1996) believes that Muslims are called to uphold entrepreneurship. Muhammad et al (2001) explains that entrepreneurship is viewed as jihad for Allah’s cause. Meanwhile, Al-Misri (2007) adds that the Hadith recognize businessmen with the prophets, siddiqin and al-shahada.

Various authors agree that entrepreneurship is a teaching of the Islam religion. The Holy Quran encourages trade and commerce (Ubaid, 1975), mobilizes resources through business (Ariff, 1991), induces loaning contract (Solahuddin & Sa’ari, 2011), teaches teamwork and community (Faizal, Ridhwan & Kalsom, 2013) and obligates economic activity (Pryv, 2014). These are mainly manifested in the hadiths or sayings of Prophet Mohammed which is one of the cultural aspects of Islamic faith.

According to Gunnsay (2015), there is interrelationship between textual sources and contextual setting in Islamic entrepreneurship. These are primary founded on Quran and Sunnah with Ijma’ (concesus) and Qiyas (analogy) as secondary sources. The main pillars of Islam as enumerated by Pryv (2014) include zakat (charity), halal (permissible) and haram (sinful) activities and family ties and collectivism. According to Hammawa & Hashim (2016), these are all influenced by factors such as Amana (Trust), Taqwa (Fear of Al-Mighty Allah), Ihsan (Forgiveness), Adl (Justice), Sdeq (Truthfulness), Ikhsas (Sincerity) and Shura (Consultation). Pryv (2014) also notes that Quran and Hadis suggest inseparable roles of entrepreneurial activities and religion. Razak (2017) believes that theoretically Quran and Sunnah serve as guide for Muslim entrepreneurs.

Religion motivates individual entrepreneur (Audretsch, Bönte & Tamvada, 2007) through the inculcation of values and attitudes. Religion affects entrepreneurial behaviour (Dana, 2010). The study of Mohd Dali et al (2014) showed a positive correlation between religious belief and commitment and practice. It also found that higher religiosity means higher entrepreneurial intention. It was also found by Brammer et al (2007) that religiosity has effects on social responsibility of business. Faizal, Ridhwan, Kalsom (2013) concluded in their study that Islam teaches teamwork and community. The study of Kayed & Hassan (2010) among Saudi entrepreneurs found that cultural values are deeply rooted on religiosity. Saudi entrepreneurs believe on religious commitment, role of Islam in their being entrepreneurs, act of entrepreneurship over employment and the positive effects of the practice of Islamic ethics.

2. Role of education in entrepreneurial development

Rae (2010) believes that entrepreneurial culture is channeled through education. As such it develops entrepreneurial skills (Lebusa, 2011) and competencies (Lackeus, 2015) which are necessary to start a business venture. Fayolle et al (2006) found in their study that education has a positive impact on students’ choice of being entrepreneur. Gouws (2002) affirms that education is an important ingredient in the development of entrepreneurial culture. It is the education and culture that make a person act (Afriyie & Boohene, 2014).

Since entrepreneurship is acquirable (Hisrich & Peters, 2003), colleges and universities have the most important roles in its development among the business and non-business students. Entrepreneurship education becomes an opportunity to relearn (Charney and Libecap, 2003) through ‘learning by doing’ approach (Blokker & Dallago, 2008). The current trend in teaching entrepreneurship is content-laden and theoretical approach (Mwasalwiba, 2010). Thus, it is imperative that educational institutions include them in the curriculum (Vakili, Tahmasebi, Tahmasebi & Tahmasebi, 2016).

The importance of education in entrepreneurship development cannot be disregarded. It develops skills and knowledge in starting and managing enterprises (Reynolds et al, 2000). Through the formal process of learning programs, students are able to develop innovative ideas (Cooper et al, 2004), creative thinking and self-empowerment (Raposo & Paco, 2011) and individual potential stimulation (Marques & Albuquerque, 2012). The study conducted by Fonse (2004) included communication, problem solving, team work, self-management and planning as competencies developed through entrepreneurship education.

The call for the continuous upgrade on entrepreneurship education is getting loud. Al Harthy (2014) argues about the three aspects affecting transformation of entrepreneurship education which are organization, external environment and the interaction between the two. The linkage between the educational institution and industry should be given emphasis. As such, Materino & Suguk (2105) suggest the inclusion of soft and hard skills in the curriculum to create an ideology of self-reliance. Meanwhile, Schoof (2006) argues that it should be delivered across various programs to inculcate entrepreneurial attitude and skills to all the students regardless of specialization.

Like the rest of the world, the trend in entrepreneurship education in the Arab region poses great opportunities and challenges. In the compilation of studies through the UNESCO and StratREAL Foundation, United Kingdom, different countries in the Arab region depicted the strengths of the entrepreneurship education via the good practices. The study of Masri (2010) in Jordan showed teachers as facilitators that develops students’ initiative, innovation and skills. Meanwhile, Tunisia is characterized by formal and non-formal entrepreneurial learning. Jemni (2010) describes it as a training ground for micro-entrepreneur development with various organisations supporting individuals to become entrepreneurs. The system in Oman, however, focuses on formal education.
Al-Ghassani (2010) discusses the inclusion of extra-curricular activities, training programmes, on-the-job training and enhancement practical training in the curricula of colleges and universities in order to support entrepreneurship. The case of Egypt is totally focused on non-formal education. According to Badawi (2010), entrepreneurship programme is implemented as non-formal programme in the non-formal public and private educational institutions.

III. METHODOLOGY

This study used descriptive-quantitative method. The main aim is to describe the perception of the Omani students on the role of religion and education in their entrepreneurial development. The research strategy was survey through a self-made questionnaire divided into four parts: (1) Omani entrepreneurship; (2) religious sources of entrepreneurial values; and the extent of influence of entrepreneurship education on: (3) entrepreneurial perception and (4) entrepreneurial values. These are purely personal assessments of the student-respondents. The tool was written in English with Arabic translation. All statements were in an open-ended 4-scale Likert-style measured as 4- Strongly Agree, 3-Agree, 2-Disagree and 1-Strongly Disagree. The weighted means were interpreted using the following scale:

<table>
<thead>
<tr>
<th>Point Score</th>
<th>Range</th>
<th>Verbal Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>3.26 – 4.00</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>3</td>
<td>2.51 – 3.25</td>
<td>Agree</td>
</tr>
<tr>
<td>2</td>
<td>1.76 – 2.50</td>
<td>Disagree</td>
</tr>
<tr>
<td>1</td>
<td>1.0 – 1.75</td>
<td>Strongly Disagree</td>
</tr>
</tbody>
</table>

It was conducted in one of the private colleges in the Sultanate of Oman. There were 286 student-respondents from the Faculty of Business and Management Studies taking Business Management specialization. The students are in their Levels 5 and 6 of their Bachelor’s Degree. Convenience sampling was adopted during the primary data gathering. Only those who were present during the class visit were chosen to answer the questionnaire.

The researcher personally conducted the survey through proper coordination with the module lecturers. The aim of the research was explained thoroughly prior to the giving of the survey tool. It was conducted on December 2017. Both the morning and evening classes were visited to gather data. After the questionnaires were retrieved, responses were tallied and tabulated. The statistical treatments used were frequency count and average weighted mean.

IV. RESULTS AND DISCUSSION

1. The cultural formation of Omani entrepreneurship

   Table 1. Early foundation of entrepreneurship as perceived by Omani students

<table>
<thead>
<tr>
<th>As an Omani, I believe that…</th>
<th>WM</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>early Omanis started entrepreneurship in Oman</td>
<td>3.16</td>
<td>1</td>
</tr>
<tr>
<td>young Omanis are molded to be innovative and creative</td>
<td>3.10</td>
<td>2.5</td>
</tr>
<tr>
<td>Omanis are business-minded</td>
<td>3.10</td>
<td>2.5</td>
</tr>
<tr>
<td>Omanis are trained to trade</td>
<td>3.07</td>
<td>4.5</td>
</tr>
<tr>
<td>business passed on from generation to generation</td>
<td>3.07</td>
<td>4.5</td>
</tr>
<tr>
<td>Families train children to be entrepreneurs</td>
<td>3.88</td>
<td>6</td>
</tr>
<tr>
<td><strong>AWM</strong></td>
<td>3.06</td>
<td></td>
</tr>
</tbody>
</table>

   Table 1 shows an average weighted mean of 3.06 which means students agree that entrepreneurship runs from the Omani roots. The statements assessed the perception of the student-respondents on the early formation and development of entrepreneurship in Oman. The highest weighted mean obtained is 3.16 which the students attributed the start of entrepreneurship in the country to the Omanis. The student-respondents also believe that they are molded and developed by the country to be innovative and creative (3.10 WM) and that they are business-minded (3.10 WM). The lowest means were given to their training to trade (3.07 WM) and families train their children to become entrepreneurs (2.88 WM).

   The results show that the two social conditions as mentioned by Abzari & Safari (2009) are manifested by the Omanis. The results also align to the postulates of Deakin (1996), Pistrui (2005) and Pistrui & Fahed-Sreih (2010) on the value of the family in the development of entrepreneurship. The respondents believe that the culture of entrepreneurship is two-folds: family orientation and social acceptance. This culture is passed on from generation to generation through the family business. The society further sustains its development through the support and sharing of resources.

2. The religious sources of entrepreneurial values

   Table 2. Religious source of entrepreneurial values as perceived by Omani students

<table>
<thead>
<tr>
<th>As a Muslim, I believe that…</th>
<th>WM</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>religion teaches valuable characteristics of an entrepreneur</td>
<td>3.19</td>
<td>1</td>
</tr>
<tr>
<td>business and religion share common beliefs</td>
<td>2.97</td>
<td>2</td>
</tr>
<tr>
<td>religion teaches risk-taking in entrepreneurial ventures</td>
<td>2.96</td>
<td>3</td>
</tr>
<tr>
<td>religious organisations support local entrepreneurs</td>
<td>2.89</td>
<td>4</td>
</tr>
<tr>
<td>community patronise products produced by its people</td>
<td>2.84</td>
<td>5</td>
</tr>
</tbody>
</table>

   The perception of the students on the sources of entrepreneurial values is shown in Table 2. They regard their religion as the main source of their values as reflected in the outcome of the assessment with an average weighted mean of 2.97. The respondents regarded Muslim religion as the basis of their valuable entrepreneurial characteristics. This garnered the highest weighted mean of 3.19. They also believe that business and religion have common beliefs (2.97 WM) and religion teaches them to be risk-takers (2.96 WM). The lowest of the assessed factors are: religious organisations support local entrepreneurs (2.89 WM) and community patronize local products (2.84 WM). The results show congruence to the study of Audretsch, Bönte & Tamvada (2007) and Dana (2010) that religion inculcates entrepreneurial values. The respondents recognize the value of Islam in their personal and entrepreneurial development. Their awareness of the common traditions and beliefs gave them the basic tools to embrace the culture of Islamic entrepreneurship. In addition to the values mentioned in the study of Kayed & Hassan (2010) and Faizal, Ridhwan & Kalsom (2013), the current study includes the values of risk-taking and social support to the teachings of religion.
Table 3. Some sources of entrepreneurship based on Islamic Islam

<table>
<thead>
<tr>
<th>Source of Islamic entrepreneurship</th>
<th>Author/s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hadith mentions that 9 out of 10 sources of income are coming from business activities</td>
<td>Salwa, U., Shahbudin, A.S. &amp; Jusoff, K. (2013);</td>
</tr>
<tr>
<td>Prophet Muhammad was a successful entrepreneur</td>
<td>Ramadan, T. (2007)</td>
</tr>
<tr>
<td>Al-Qurtubi’s formula of success: halal (lawful livelihood); qanaah (be pleased with one’s earnings); taufoq (blessings of Allah in proportion to one’s expectations; sa’adah (happy) &amp; jannah (heaven).</td>
<td>Hamat, M. (992); J.G.V. Hernandez, M.R. Naruzi &amp; N. Sariolghalam (2010); Salwa, U., Shahbudin, A.S. &amp; Jusoff, K. (2013)</td>
</tr>
<tr>
<td>Rabbani is the foundation of trade</td>
<td>Al-Qaradawi (2001)</td>
</tr>
</tbody>
</table>

Table 3 shows the different sources of entrepreneurship based on the various authors. These authors clearly emphasized that entrepreneurship is founded on the teachings of their Islam religion through the Holy Quran which are mainly manifested in the hadiths or sayings of Prophet Mohammed. Gumusay (2015) pointed out that the interrelationship founded on Quran and Sunnah with Ijma’ (consensus) and Qiyas (analogy). Prvy (2014) also enumerated the main pillars of Muslim as zakat (charity), halal (permissible) and haram (sinful) activities. Razak (2017) believes that theoretically Quran and Sunnah serve as guide for Muslim entrepreneurs.

3. The entrepreneurial perception developed through entrepreneurship education

Table 4. Entrepreneurial intention developed by Omani students

<table>
<thead>
<tr>
<th>After the business programme in the college, I...</th>
<th>WM</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>know that the business can succeed</td>
<td>3.12</td>
<td>1</td>
</tr>
<tr>
<td>am ready to become entrepreneur</td>
<td>3.11</td>
<td>2</td>
</tr>
<tr>
<td>am determined and passionate to do business</td>
<td>3.03</td>
<td>3</td>
</tr>
<tr>
<td>know the direction of the entrepreneurial career</td>
<td>2.88</td>
<td>4</td>
</tr>
<tr>
<td>have all the trainings to start the business</td>
<td>2.87</td>
<td>5</td>
</tr>
<tr>
<td><strong>AWM</strong></td>
<td><strong>3.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

The student-respondents assessed their business programme to determine its effectiveness in the development of an entrepreneur. Table 4 shows the results wherein the average weighted mean is 3.00 interpreted as ‘Agree’. The students believe that after their bachelor’s degree their venture into business will succeed (3.12 WM) and that they are ready to become entrepreneurs (3.11 WM). The business programme also developed the students to become determined and passionate about business (3.03 WM). Through the various activities in their programme students were able to determine the direction of their entrepreneurial career (2.88 WM) and they had their trainings to start a business (2.87 WM).

The results of the study affirm the realizations of Lebusa (2011) and Lackeus (2015) that entrepreneurship education educates both the skills and competencies. The students confirm that their entrepreneurial intention increased because of taking formal education. They manifested a paradigm shift on their career as potential entrepreneurs. The students feel positive that they can be future entrepreneurs but did not show any eagerness to start their own business. This is contrary to the study of Afriyie & Boohene (2014). The students’ confidence level increased with their mental awareness of their entrepreneurial capabilities but does not prompt them to act by starting their own business. The college served its purpose of developing entrepreneurial minds as manifested by the students’ level of confidence on their capabilities and intention.

4. The entrepreneurial values developed through entrepreneurship education

Table 5. Entrepreneurial values developed by Omani students

<table>
<thead>
<tr>
<th>My business programme taught me to...</th>
<th>WM</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>be friendly in dealing with other people</td>
<td>3.19</td>
<td>1</td>
</tr>
<tr>
<td>work hard and patient to see results</td>
<td>3.16</td>
<td>2.5</td>
</tr>
<tr>
<td>be optimistic and proactive in the future of the business</td>
<td>3.16</td>
<td>2.5</td>
</tr>
<tr>
<td>take risks to enter into business</td>
<td>3.02</td>
<td>4</td>
</tr>
<tr>
<td>be innovative and creative to develop a product</td>
<td>2.95</td>
<td>5</td>
</tr>
<tr>
<td><strong>AWM</strong></td>
<td><strong>3.10</strong></td>
<td></td>
</tr>
</tbody>
</table>

The students rated the effectiveness of the business programme in inculcating entrepreneurial values. The result of their personal assessment is shown in Table 5 with an overall interpretation of ‘Agree’ equivalent to 3.10 AWM. The highest rated characteristic is ‘being friendly in dealing with other people’ with a 3.19 WM. This is followed by the ‘working hard and patient’ and ‘being optimistic and proactive’ both with 3.16 WM. The last two characteristics are ‘risk-taking’ (3.02 WM) and innovative and creative (2.95 WM).

The entrepreneurial qualities developed through the business programme are synonymous with the results of the studies of Cooper, et al (2004), Marques & Albuquerque (2012) and Fones (2004). In addition to being innovative and creative, students agreed that they became risk-takers, friendly, optimistic and patient. These qualities are necessary if they will pursue with their chosen business venture.

V. CONCLUSION AND RECOMMENDATION

This study used descriptive-quantitative method to determine the role of religion and education in the entrepreneurial development of business students in the Sultanate of Oman. The strategy was through a self-made survey tool that quantified: (1) Omani entrepreneurship; (2)
religious sources of entrepreneurial values; and the extent of influence of entrepreneurship education on: (3) entrepreneurial intention and (4) entrepreneurial values. The gathered data were tabulated using weighted mean and rank.

The results of the assessment showed a strong influence of religion and education on the students’ entrepreneurial development. The Islam religion is perceived as a rich source of entrepreneurial values and practices that students still emulate in the recent times. The assessments of the respondents were in congruence with the various Muslim authors who showed strong evidences of Divine teachings of entrepreneurship. Meanwhile, the business education as assessed by the student-respondents developed their mindset to become entrepreneur by spirit. Both the theory and practice of entrepreneurship in the college enhanced their skills and capabilities in developing and managing a business venture. However, they tend to be reluctant when to start their own venture.

The study upholds the positive influence of religion and education in entrepreneurial development. The religious source of entrepreneurship should be recognized in the teaching of colleges and universities. The basic values mentioned in the Quran, Haddith and Suna should be inculcated as fundamental values of Islamic entrepreneurship. Meanwhile, entrepreneurship education needs to focus more on actual practice of entrepreneurship. Since students already developed entrepreneurial mindset, an actual project or business venture will help them learn by doing. The different colleges and universities are recommended to go step further in the delivery of entrepreneurship education through business incubation program, product innovation and development and funding system. These will inculcate more skills and capabilities among business students.

The study provided a clear backgrounder on the role of religion and education in the making of an entrepreneur. Since it is focused on personal assessment of the student-respondents, a follow up study on the successful entrepreneurs is induced. This affirms the skills, values and capabilities founded on religion and education that are practiced by the entrepreneurs.

REFERENCES

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