



Culture, heritage and business start-ups in regional Thailand¹¹

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Abstract

This article reports the extent to which cultural dimensions of individual dominant heritage are associated with decisions of whether or not to start-up a small business in regional Thailand. Samples were taken by snowball sampling¹³ from 31 out of 76 provinces of Thailand. Seven factors which represent values and attitudes towards life in general and business in particular are found in this study. They are: Conviction (Know-how on start-ups), Positive Attitudes on Business, Money Orientation, Risk Aversion in Business, Aspiration to Achieve (Competitiveness), Individualism, and Long-term Orientation. Only three factors, namely Know-how, Pro-business, and Risk Aversion, are found to distinguish the owners from the non-owners across Thailand's sub-cultures in regional areas.

Keywords : start-up, entrepreneurship, Culture, heritage, regional Thailand

In this paper, the extent to which cultural dimensions of individual ethnicity are associated with decisions of whether or not to start-up a small business in regional Thailand is examined.¹⁴ Regional Thailand offers unique environmental settings different from those of Bangkok, the capital city. Thus, findings derived from samples in regional areas should yield an understanding of other facets not normally reported in general business studies about Thailand.

Objectives of this study are to identify cultural dimensions that can be attributed to ethnicity and systematically examine whether these differ according to previous decisions to start-up a small business. To accomplish these objectives, previous work relating cultural dimensions and ethnicity to economic decisions, entrepreneurship and business start-ups is reviewed to develop a theoretical framework that identifies how cultural dimensions of ethnicity may affect the start-up decision. The framework is tested by surveying samples of small business owners and non-business owners in regional Thailand.

Following the Asian Financial Crisis of 1997, small business start-ups have been emphasised by Thailand's government as drivers for potential economic recovery, with substantial expenditures on encouraging, and reducing barriers to, business start-ups (Sevilla and

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¹³ See detail of this sampling method in a footnote in the Sampling section below.

¹⁴ 'Regional Thailand' is *tang-chang-wad* (literally, provinces other than Bangkok) and is not limited to *ban-nog* (literally, peasant areas or remote areas).



Soonthornthada, 2000). Despite the emphasis on business formation in policy setting, there has been scarcely any published systematic research regarding start-ups in Thailand.¹⁵ Borrowed policies implemented for other countries without regard to local circumstances and cultural differences may be less effective (Scheinberg and MacMillan, 1988). More than 90% of Thailand's 63 million population live in regional areas.¹⁶ Accordingly, government policy has increasingly focussed on encouraging business development in regional Thailand where most businesses are small or micro.¹⁷

Previous anthropological and historical studies of ethnic groups in Thailand indirectly reflect some behaviour in commerce, mostly in an historical context, but do not directly apply to contemporary business. For example, Bung-on Piyabhan (1998) discussed the lives of the Lao in Thailand in the period of 1782-1868 and Suntharee Komin (1991) considered 'Thai' values and their variations according to professions and religions, with passing comment on the difference between the ethnic Chinese and the Thai in particular. Pannee Auansakul (1995) theorises about the reasons first-generation immigrant Chinese have been entrepreneurial in Thailand, but does not include any empirical evidence to support his propositions. Studies of Chinese groups in major centres (such as Bangkok and Nakorn Ratchasima province) are generalised to the rest of the nation (Coughlin, 1976; Skinner, 1962; Yoko Ueda, 1995) which is not appropriate.

Internationally, some studies have distinguished cultural differences when studying motivations to start up a business.¹⁸ Others consider differences in cultural or ethnic values and attitudes between business-owners and non-owners between countries.¹⁹ Both sets appear to equate 'culture' with 'country' or consider only 'national culture'.²⁰

In considering differences in personality traits of individuals across countries, Allik and McCrae (2004) indicate that ethnic differences or gene pools may matter more than differences in geology, geography or climate. However, within-country studies of the effects of differences in culturally-based values and attitudes on new firm formation generally equate

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There has been some research concerned with management, success and growth of existing businesses in Thailand (e.g., Box et al. 1995, Nipon et al. 2002, Swierczek and Ha 2003, Paulson and Townsend 2004).

¹⁶ Data for 2003 are from the official web of the Bangkok Metropolitan Administration (BMA): <http://www.bma.go.th> as of 5 July 2005.

<http://www2.manager.co.th/SMEs/ViewNews.aspx?NewsID=9490000108415> access as of 29 Aug 2006; National Statistical Office, Office of the Prime Minister of Thailand, 2004: <http://www.nso.go.th/eng/> as of 26 May 2004.

¹⁸ See, for example, Begley et al., 1997; Mueller and Thomas, 2000; Scheinberg et al., 1988; Shane, Kolvereid, and Westhead, 1991; Thomas and Mueller, 2000.

¹⁹ See, for example, Baum et al., 1993; Earle and Sakova, 1999; McGrath and MacMillan, 1992a; McGrath, MacMillan, and Scheinberg, 1992b; Mitchell, Smith, Seawright, and Morse, 2000.

²⁰ This is consistent with previous suggestions that nations have their 'average' culture (e.g., Hofstede 1980, Schwartz 1987, Trompenaars 1994) but ignores cultural variations within countries. A few studies have addressed the relationship between culture (as religious beliefs – the Confucius work attitudes) and survival or growth of existing businesses (e.g., O'Malley 1988; Mackie 1992).



'culture' with 'region' and do not consider ethnicity.²¹ It has been suggested that it is naive to treat a country as having uniform characteristics all over, or as homogeneous (Fang, 2003; McSweeney, 2002a, , 2002b; Pressman, 1993).

Studies specifically addressing differences in ethnicity and culture within a single nation relate these traits to differences in business activities,²² financing, survival and growth,²³ and motivations²⁴ to starting up a business. These studies focus largely on the attitudes and behaviour of first generation migrants. Although they found that migrants were often "pushed" into self-employment as a consequence of social marginalisation, they do not show that the cultural dimensions of ethnicity have any effect on business start-up decisions.

This paper focuses on differences in individuals' values and beliefs as aggregated ethnic group values, and whether these are associated with attitudes towards, and experience with, business start-ups. These associations are examined within and across the four heritage groups that dominate the economic and socio-political systems in contemporary Thailand: the Thai, Chinese and Lao (with a separated category of the Korat Tai, formerly grouped as Lao). The samples are grouped into heritage categories according to self-identified most dominant heritage group of ancestors. For example, a person with mostly Chinese ancestors, and with some Thai and/or Lao ancestors, is categorised as a Chinese. Therefore, the four heritage groups are not, in reality, mutually exclusive.

The survey is developed within a detailed framework of cultural dimensions of ethnicity that is applied to business start-up decisions and related attitudes, as described in the next section. This is used to develop the survey instrument, which is described, together with the survey method, before the results and findings are reported.

Individuals, cultural values and business start-ups

Hofstede (2001) argues that (nationally derived) cultural values influence individual mindsets and can be used to categorise people as to their motives for actions and entrepreneurial pursuits. He groups the distinguishing cultural values into five dimensions which have been used to compare mean scores of individuals across countries (also see Hofstede, 2004):

- Power Distance Index (PDI): the degree of equality, or inequality, between people (and their opportunities) in the country's society.
- Individualism (IDV): the degree the society reinforces individual or collective achievement and interpersonal relationships.

²¹ See, for example, Davidsson, 1995 b; Davidsson and Wiklund, 1997; Georgellis and Wall, 2000.

²² See, for example, Carter, Gartner, Shaver, and Gatewood, 2003; Rajjman and Tienda, 1999.

²³ See, for example, Cavalluzzo and Wolken, 2002; Chaganti and Greene, 2002.

²⁴ See, for example, Bates, 1999; Caulkins and Peters, 2002; Salaff, Greve, Wong, and Ping, 2002.



- Masculinity(MAS) : the extent to which the society reinforces, or does not reinforce, the traditional masculine work role model of male achievement, control, and power.
- Uncertainty Avoidance Index (UAI); the level of tolerance for uncertainty and ambiguity within the society.
- Long-Term Orientation (LTO); the degree to which the society embraces, or does not embrace, long-term devotion to traditional, forward thinking values.

These dimensions can be linked to values, attitudes and traits that have been shown to be significantly related to entrepreneurship or the incidence of start-ups both within a country and across countries, These include attitudes towards:

- capitalism and hard-work (Begley et al., 1997; Davidsson and Wiklund, 1995; Johnson, 1990; Olson, 2001; Shaver, 1995);
- change (Davidsson, 1995; Holt, 1997);
- innovation (Robinson, Stimpson, Huefner, and Hunt, 1991; Thomas and Mueller, 1998; Ucbasaran and Westhead, 2002);
- risk (Caree and Thurik, 2002; Luthje and Franke, 2003);
- competitiveness (Davidsson et al., 1995);
- self enhancement, personal development or self-esteem (Robinson et al., 1991; Holt, 1997; Westhead and Wright, 1997);
- need for achievement (Davidsson, 1995; Davidsson et al., 1995; Lee and Peterson, 2000; Robinson et al., 1991; Shaver, 1995; Johnson, 1990; Olson, 2001; Shaver, 1995);
- material success, wealth or prosperity (McGrath et al., 1992a; Russell, 1997; Tsay and Chuang, 2003; Westhead et al., 1997; Begley et al., 1997; Davidsson et al., 1995);
- social status or recognition (Begley et al., 1997; Davidsson et al., 1995; Westhead et al., 1997); and
- need for independence or autonomy (Begley et al., 1997; Davidsson et al., 1995; Robinson et al., 1991; Tsay et al., 2003; Westhead et al., 1997).

These attitudes are largely reflected in Davidsson (1995), who contends that the primary determinant of entrepreneurial intention to go into business is individual's conviction that starting and running one's own firm is suitable for him or her. This conviction is based on general attitudes and domain-specific attitudes concerning entrepreneurship and owner-managed firms. People are more likely to hold a conviction that going into business is a suitable choice for them if they have positive attitudes towards: (1) change; (2) competitiveness; (3) wealth; (4) achievement; or (5) autonomy. Davidsson also suggests that individuals are more likely to go into business if they: (1) expect an appropriate payoff; (2)



identify a societal contribution of business;²⁵ and (3) believe they possess appropriate expertise. These attitudes and traits are directly linked to Hofstede's five dimensions by various authors. Some are related to more than one dimension. For example: self-reliance, need for achievement or success, and assertiveness can be related to masculinity (Earle et al., 1999; Russell, 1997). Self esteem has been related to power distance (Lee et al., 2000) while 'self efficacy' and optimism has been related to positive attitudes towards risk or low uncertainty avoidance (Ardichvili, Cardozo, and Ray, 2003; Neck and Manz, 1996). Locus-of-control and autonomy can affect attitudes towards risk (uncertainty avoidance) (Luthje and Franke, 2003) and is also related to individualism (Thomas et al., 1998).

An objective of this paper is to compare attitudes and culture across ethnic groupings within one country in which regions do not reflect ethnic groups or relevant sub-cultures. This approach of linking cultural dimensions to ethnicity is explained in the next section.

Relating cultural dimensions to ethnicity

Cultural dimensions of ethnicity are defined here as the values and attitudes shared among people of common ancestry and language. The relevant cultural dimensions of ethnicity are those values or attitudes that are weighted differently for the different ethnic groups that comprise the general population. This differs from the usual approach of linking culture and ethnicity to nationality.²⁶

This author argues that culture is associated with ethnicity via ancestry. Integrating the ideas of Jirawat Wongsawatdiwat (1973) and Foster (1982), a person can be assigned to an ethnic group by self-identification.

The dynamics of ethnic self-identification by an individual are likely to be based on heritage and experience, but may also reflect the appeal of benefits that an individual attributes to a particular ethnic affiliation (Berger and Luckmann 1975; Coughlin 1976; Foster 1982; McSweeney 2002a). The impact of heritage on the cultural dimensions of ethnicity can arise through family influence and kinship, language, engagement with ethnic community (including networks and clans), and the appeal of historical roots and identity. Experience can impact on the cultural dimensions of ethnicity through social interaction and marginalisation, education, religious affiliations, work experience, contemporary role models, political dimensions of ethnic relations and political action.

Attaching cultural traits to this view of ethnicity results in a conceptualisation of culture that is more dynamic and flexible, but still consistent with that proposed in Hofstede (2001: 9)

²⁵ Also see Scheinberg and MacMillan (1988).

²⁶ See, for example, Baum et al., 1993; Begley et al., 1997; Earle et al., 1999; McGrath et al., 1992a; McGrath et al., 1992b; Mitchell et al., 2000; Mueller et al., 2000; Scheinberg et al., 1988; Shane et al., 1991; Thomas et al., 2000.



where culture is described as 'collective programming of the mind that distinguishes the members of one group or category of people from another'.

Ethnic groups in Thailand

The contemporary population of Thailand has developed from numerous ethnic and tribal groups. Based on language, there are at least 68 "indigenous" ethnic groups in Thailand (Schleisinger 2000, 2001), of which the largest groupings are the Thai and Lao. There are also historical migrant-based groupings such as Chinese, Burmese, Laotians, Vietnamese and Indians, with the Chinese being the most numerous.²⁷ Thailand's population of 63 million is dominated by the Thai (15-20 million), Lao (22-30 million) and Chinese (10-22 million).²⁸ The Korat Tai are an emerging group from the survey for the respondents claim that they do not belong to the Lao group, and neither are they Thai. Despite the diversity of ethnic groups in Thailand, discussion and analysis in this paper will focus on these four groups.

The identification of ethnic groups and their attributed cultural traits in Thailand has been obscured by government policy and programs designed to raise national identity and conformity with "preferred" traits (Chai-anan Samudavanija, 2002; Reynolds, 2002; Sulak Sivaraksa, 2002). Under the "nation approach", cultural traits seen as common in Thailand are collectively viewed as 'Thai culture'. Some preferred traits of "Thai-ness" such as attitudes that embody deference, submissiveness and passivity, are reinforced through the education system. Other "Thai-ness" traits that are generally encouraged include: avoiding problems, being unwilling to take risks; conformity and compliance with formal social etiquette; respect for and obedience to the authority of elders and trust in their wisdom, protection, mutual dependence and reciprocity; moral indebtedness and a sense of obligation (Bechstedt 2002: 245-247 in Reynolds 2002; Mulder 1997).²⁹

Despite the promoted 'average culture', that has induced concepts of being "Thai" and "Un-Thai" (see Reynolds 2002), some ethnic stereotypes prevail.³⁰ It is often asserted that commerce in Thailand is controlled by the Sino-Thai or Thai of Chinese ancestry (e.g., Haley

²⁷ http://service.nso.go.th/nso/data/data23/stat_23/toc_1/1.1.2-4.xls access as of 29 Aug 2006

²⁸ The government of Thailand stopped distinguishing population ethnicity with the commencement of the National Citizenship Act in 1913. Early statistics for 1854 indicate the population of Siam was dominated by major ethnic groups: Thai (32%), Chinese migrants (25%), and CAP (17%). These proportions are based on estimates made by Bishop Pallegoix in 1854 as reported in Bowring (1857). Current official statistics for ethnic groups are not available. Estimates from various academic sources vary substantially but it appears that the Thai and Lao each account for at least 30% of the population of Thailand, while estimates of people born in Thailand of Chinese heritage range from 10 to 90% (based on data in Theraphan, 1985; Keyes, 1987; Smalley, 1988; Schliesinger, 2000, 2001).

²⁹ A traditional patronage system has encouraged the sense of obligation embodied in *greng-jai* or *kreng-jai* - the obligation to 'return the favour' (Suntharee, 1991) and also the sense of *phak-phuak* - the informal clique or network (Nelson, 2002).

³⁰ Curiously, the traits of "Thai-ness" seem to be congruent with the Chinese Confucianism traits identified in Hofstede and Bond (1988).



et al. 1999; EAAU 1995; Foster 1982; Skinner 1962; Purcell 1951; Bowring 1857).³¹ This is consistent with a common perception that trade and commerce in Southeast Asia are monopolised or controlled by the Chinese or “overseas-Chinese” with “superior commercial acumen” (Bun and Mackie 1996).³² However, “overseas-Chinese” may merely have the traits of immigrants to any country, whose constrained prospects offer few better choices than running their own small shops, as noted in prior studies (Lin 1986:6 in Mackie 1992; Casson 1990; Brenner et al. 2000). In addition to being equated with “business”, “wealth”, and “the merchant class” (Bun and Kiang, 1995), the Chinese have a reputation for being hard-working and ambitious (Suntharee 1991; Reynolds 1996), with a higher regard for education and prosperity than the “average Thai” (Suntharee, 1991).

It has been suggested that, in Thailand’s business community, trust based on personal friendships, kinship, and or ethnic ties or bonds seems to prevail (Sevilla and Soonthornthada 2000:40). However, the only ethnic grouping readily observed as active in networking in trade and commerce is the Chinese.³³ Chambers of commerce, community activity groups and mutual aid societies (such as Chinese language groups associations and clan associations) are widely found (Skinner 1962; Amara 1995; Chai-Anan 2002). Throughout Thailand’s history, rulers and administrators gave preference to aristocrats and those who could pay higher taxes and had commercial expertise, thus favouring the Chinese (Sangsit undated; Skinner 1962; Purcell 1951). Even in the most remote areas of Thailand, the Chinese became entrenched and controlled most of the trades (Bowring 1857).

Historically, the indigenous peoples of Thailand had little opportunity to engage in business. Until 1905, the Thai and the Lao were either in the *corvée system*, or the slave system, and thus had little opportunity to accumulate wealth or engage in trade or commerce (Kamol 1955). Developing *self-efficacy* and the perceived ability to do business, the ethnic Thai have long been said to “rarely permit themselves to become so *committed* to an activity or another

³¹ EAAU is the East Asia Analytical Unit, Department of Foreign Affairs and Trade, Australia. See also the US Department of State website; Bureau of East Asian and Pacific Affairs; Library of Congress Country Studies: *Thailand - A Country Study*; Chapter 2, The Society and Its Environment, Ethnicity, Regionalism, and Language: The Non-Tai Minorities: The Chinese: <http://www.state.gov/p/eap/ci/th/>; as of 19 June 2003.

³² See also Coppel (1977), Somers Heidhues (1974), Fitzgerald (1972), Steinberg et al. (1971), Williams (1966), Fitzgerald (1965), and Purcell (1965) about Chinese in Southeast Asia; Skinner (1957) about Chinese in Thailand; Somers (1965), Coppel and Mackie (1976) and Willmott (1960, 1961) about Chinese in Indonesia; Willmott (1967, 1970), about Chinese in Cambodia; and Wickberg (1962, 1965) about Chinese in Philippines.

³³ For example, see Lin Fong, Chapter 5 regarding networking and the overseas Chinese in Thailand and Supang Chantavanich, Suparat Lerspanichkul, Walwipha Burusratanaphand, Ukrit Pattamanon, Sawai Wisawanan, Worasak Mahatthanobon, Pornpan Tiarakkitskul, Swi Saolin, Chang Ian Chiw, Teng Sui Jeng, Law Sio Jing, and Lin Fong (1996) *Rai-ngan kanwichai ruang Chaochin Tæchiu nai Prathet Thai læ nai phumlamnao dæm thi Chaosan : samai thi song Tharua Santho (BE 2403-2492) [Research report on Teochiu Chinese in Thailand and in their hometown Chaosan, second era Santow (AD 1860-1949)]*. Bangkok: Chinese Studies Center, Asian Studies Institute, Chulalongkorn University.



person that the frustration of that *commitment* will be overly disturbing to them..” (Pressman 1993 cited Phillips 1965:115).³⁴

Little commentary is available regarding the Lao. However, it is generally perceived that the Lao, especially the Isan Lao, are hardworking but with limited opportunity and resources, and therefore it is expected that they are more likely to be labourers rather than being active in business activities (Bung-on Piyabhan, 1998; Fallon, 1983; Schliesinger, 2000, 2001).

It has been suggested that Thai in regional areas were less able to cope with the Western-influenced capitalist ideology and policies adopted by the state, and many still adhere to Buddhist values and a world view that asserts one should not work for one's own benefit entirely and that the accumulation of wealth should not be practised overtly (Amara 1995; Suntharee, 1991). However, recent studies suggest that villagers are developing stronger individualistic traits and becoming less obedient, deferent and passive (Bechstedt 2002: 250 in Reynolds 2002), and may be more willing to take risks.

Culture and ethnic identity is subject to evolution. It has been suggested that internationalisation and the influence of mass media is increasing the homogeneity of regional peoples of all ethnic groups (Nelson 2002; McVey 2000), and promoting assimilation into an evolving common, new cultural and social environment of capitalism and consumerism (Bun and Kiong 1995). This may accelerate convergence whereby "fewer differences among countries (or among groups) will be related to cultural traits", as time passes (Lin in p.51 Mackie 1992).

Method and data

Collecting data on attitudes and individual characteristics requires a complex survey instrument. There are risks in administering such instruments in regional communities because of potential uncertainties regarding respondents' understanding, willingness to answer truthfully, and implications for reliability and interpretation of responses. For those candidates we assessed as having strong literacy and a willingness to complete the survey unaided, the questionnaire was left with them to complete. For other candidates, a trained interviewer remained *with* the respondent to provide assistance.

Sampling

There are no available lists of potential respondents for either ethnic groups or business owners in Thailand and it has been suggested that higher participation rates are obtained (especially in developing countries) by using personal contacts and referrals (Scheinberg and MacMillan 1988). A "snowball" sampling approach was used within target regions to

³⁴ Self-efficacy and its relationship to entrepreneurial start-ups is discussed in Ardichvili et al. (2003) and Neck and Manz (1996).



increase access to particular groups, whereby respondents would refer the researcher to other potential respondents.³⁵

The fieldwork was conducted during November 2005 to January 2006, yielding participants from 31 of Thailand's 76 provinces. Civil unrest in the southern-most provinces reduced efforts in those overall Southern areas. Because the author would like to focus on endemic traits and values, all first generation migrants and individuals who have lived outside Thailand for a continuous period exceeding one year were excluded.

Survey instrument

The questionnaire was based on concepts, questions and issues previously developed in the literature on culture values and entrepreneurship.³⁶ This included questions based on the cultural predictors of Peterson and Smith (1997), general attitudes and attitudes towards business of Davidsson (1995), start-up intention scale across cultures of Begley et al. (1997), Thai values in Suntharee Komin (1991), and cultural dimensions of Hofstede (2001). The wording and structure of the questionnaire was modified following pre-testing with a small sample of expatriates from Thailand now residing in Canberra, Australia.³⁷

The classification of respondents into ethnic groups is based on the respondent's nominated dominant heritage group, or 'Heritage 1'. This is needed because respondents were not requested directly in the questionnaire to identify their self-selected ethnic group in order to avoid their feeling obliged to select only 'Thai' (because in Thailand people are asked to tick

³⁵ Snowball sampling is a technique for developing a research sample where existing study subjects recruit future subjects from among their acquaintances. One subject gives the researcher the name of another subject, who in turn provides the name of a third, and so on. Thus the sample group appears to grow like a rolling snowball. As the sample builds up, enough data is gathered to be useful for research. However, the nature of similarity within social networks may mean that 'isolates' are ignored. Another disadvantage is the difficulty of replicable and representative research design. Most snowball samples are biased and do not therefore allow researchers to make claims to generality from a particular sample. The problem of selection bias may be partially addressed through a large sample size. The main value of snowball sampling is it is a method for obtaining respondents where they are few in number or where some degree of trust is required to initiate contact. This technique of 'chain referral' may instill the researcher with characteristics associated with being an insider or group member and this can aid entry to settings where conventional approaches may find it difficult to succeed. Snowball-based methodologies are a valuable tool in studying the lifestyles of groups often located outside mainstream social research. They may also be used to compliment other research methodologies. The real promise of snowball sampling lies in its ability to uncover aspects of social experience often hidden from both the researcher's and lay person's view of social life. Examples of these hidden groups are the deprived (such as criminals, prostitutes, drug users), the socially stigmatised and isolated (e.g. AIDS sufferers) and elites. In this study, the hidden group is ethnic or heritage group where members may not be willing to share to others their real ethnic identity or social background. From: Rowland Atkinson and John Flint. 2001. Accessing Hidden and Hard-to-Reach Populations: Snowball Research Strategies. *Social Research Update*, Issue 33, Summer 2001. Department of Sociology, University of Surrey, UK. Accessed on line: www.soc.surrey.ac.uk/sru/sru33.html (accessed 3 March 2010); and from: http://en.wikipedia.org/wiki/Snowball_sampling (accessed 3 March 2010).

³⁶ The questionnaire was first developed in English and then translated into Thai by the author with assistance from other native Thai speakers. The Thai version was then translated back into English language (by a certified translator) and compared to the original questions to detect any discrepancies.

³⁷ The survey instrument is available from the author. No significant variations were noted.



'Thai' beginning with kindergarten, unless they really are migrants from adjacent countries when they can tick otherwise).

Data

The survey obtained 614 usable responses, of which 60% are female with an *average* age of 40. Based on 'ancestral control' (most dominant heritage group), the distribution of the ethnic groups is 48% Thai, 18% Lao, 17% Chinese and 13% Korat Tai. The remaining 4% are people with other dominant heritage such as Mon or Vietnamese.

Respondents include small business owners (32%), micro-business owners (10%) and non-owners (52%). The remaining 6% are professional practitioners, retirees, unemployed and students; these are used in the factor analysis to extract the cultural dimensions but are not used in subsequent tests. The largest small business owner employs 85 employees and the average is six. The micro-business owners include street vendors, operators of temporary kiosks and stalls, and home-based manufacturers. The non-owners are labours, corporate employees and governmental employees.

Factor Analyses

There are 86 questionnaire items used in this paper. The first 70 of them are in the form of multiple choice using a Likert's Scale from 5 (Strongly agree) to 1 (Strongly disagree). The next 14 of them are in the form of multiple choice using a Likert's Scale from 1 (Of utmost importance) to 5 (Of very little or no importance). The scores for these 14 items (D1 to D10 and P1 to P4) were then reversed according to the difference in meaning in the direction of the scale, so that 1 is then 5, and so on, and that 5 is then 1. The last 2 items are also in the form of multiple choice using a Likert's Scale from 5 (Very frequently) to 1 (Very seldom), so there is no need to reverse the scores.

The 86 items were grouped according to their correlation, using confirmatory factor analysis to reproduce factors according to prior literature. Internal consistency tests using an alpha score revealed that factors estimated for Thailand are not fully comparable to those obtained in prior literature. All items are thus regrouped into new possible indices by this author's analysis. However, all groupings are executed according to the literature, not capriciously. Firstly, each item is allowed to load into more than one factor and then tested for internal consistency. Surprisingly, the finalised factors contain no repetition of any items from the data, meaning they are mutually exclusive incidentally. Items with soft loadings (less than .32 in a factor)³⁸ are then dropped and only strong factors (α is about .70 or more) are

³⁸ Discussion on retaining items and factors are in Costello and Osborne 2005.

retained. The finalised possible interactive factors with strong internal consistency are shown in Table 2. It is note-worthy that no question item was loaded in more than one factor.

Table 2 New indices of attitudinal items for this thesis

Factor description	Short name of Factor	Question items used in the questionnaire of this thesis	Alpha (α)
Factor 1. Conviction that I can do business, ready, know enough	1. Business Readiness	29 53	.674
Factor 2. (Combined) business is good for me and good for a number of reasons	2. Pro-Business	14 18 49 39	.671
Factor 3. Money oriented	3. Money Orientation	2 10 17 45 46	.709
Factor 4. Risk averse in owning or starting a business in general	4. Risk Aversion	7 9 24 26 28 59 62	.672
Factor 5. I normally push for the best I can	5. Achievement Aspirations	6 8 30 43 48	.633

These five indices are tested for their mutual correlation. Table 3 shows their correlations.

Table 3 Correlations of the potential new indices in this thesis

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Factor 1	1.000				
Factor 2	.285	1.000			
Factor 3	.100	.207	1.000		
Factor 4	-.048	-.044	.380	1.000	
Factor 5	.300	.371	.200	-.091	1.000

All the factors have sufficient internal consistency (α is about .70 or more) and do not correlate very highly with one another (r is less than .500).

Hofstede’s items (Q65 to Q70, D1 to D10, P1 to P4 and F1 to F2), cannot be reliably grouped, as discussed previously, and it is not appropriate to calculate these dimensions using the formulae in Hofstede (2000). This is due to differences in scaling, question design and sampling. This thesis thus uses simple factor mean score calculation for each scale. Only ‘Individualism Index’³⁹ and ‘Long-term Orientation Index’⁴⁰ have sufficient internal

³⁹ This cultural dimension focuses on the degree to which the society reinforces individual or collective achievement and interpersonal relationships (Hofstede 2004). In high individualistic societies, people have more self-orientation while in less individualistic, or communitarian, societies people have more emotional dependence on organisations, institutions or others (Hofstede 1984, 1991).

⁴⁰ This cultural dimension focuses on the degree to which the society embraces a long-term devotion to forward thinking values (Hofstede 2004). A long-term orientation (LTO) includes persistence; ordering relationships by status; thrift; and having a sense of shame. A short-term orientation includes personal steadiness; protecting one’s ‘face’; respect for tradition; and a reciprocation of greetings, favours, and gifts (Hofstede and Bond 1988).



consistency (based on a scores of .70 or more). However, after rerunning a factor analysis with the ten question items by constraining the number of factors to two to check whether the factor members are stable or not, by using Factor analysis, with the maximum likelihood extraction method and direct oblimin rotation (a type of oblique rotation) excluding missing values listwise. It is found that Question P04 appears with “soft” loadings (less than .320) and thus is dropped.

'Factor analysis' was used instead of the defaulted 'principal component analysis' because it avoids inflation of estimates of variance which normally comes with principal component method, according to Costello and Osborne (2005). Maximum likelihood extraction method can be used here after the normalization of data, of which the multivariate normality of distribution was severely violated (tested by this author), according to Costello and Osborne (2005). Z-score of each item is used in the analyses, instead of raw scores. Direct oblimin rotation (instead of varimax), an oblique rotation, was chosen because it allows the factors to be somehow correlated, as in social sciences “behaviour is rarely partitioned into clear-cut units independent of *ow* another” (Costello and Osborne 2005).

Factor analysis is again rerun constraining the number of factors to two to check whether the factor members are stable or not. The final two factors now hold stable with alpha of each factor being .70 or more. Only the two indices shown in Table 4 are retained.

Table 4 Retained indices of items according to Hofstede (2000)

Potential Indices (Factors)	Question items used in the questionnaire of this thesis		Alpha (a)
	Question Number	Question Wording*	
Fac3Hof: Individualism	D01	(Rs) It is important to have sufficient time left for my personal or family life.	.767
	D02	(Rs) It is important to have good physical working conditions (good ventilation and lighting, adequate work space, etc.).	
	D04	(Rs) It is important to have security of employment.	
	D08	(Rs) It is important to have an element of variety and adventure in the job.	
	D09	(Rs) It is important to have considerable freedom to adopt your own approach to the job.	
	D10	(Rs) It is important to fully use my skills and abilities on the job.	
Fac5Hof: Long-term Orientation	P01	(Rs) Thrift is important for me.	.727
	P02	(Rs) Respect for tradition is important for me.	
	P03	(Rs) Persistence (perseverance) is important for me.	

*Rs = reversed score because in the questionnaire 1=of utmost importance, while 5=of little or no importance; Rm = reversed meaning.
Now, with five factors shown in Table 2 and the Hofstede's two factors left in Table 4, correlations among all of them are examined. The results are shown in Table 5.

Table 5 Correlations of the retained indices in this thesis

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 3 Hof	Factor 5 Hof
Factor 1	1.000						
Factor 2	.285	1.000					
Factor 3	.100	.207	1.000				
Factor 4	-.048	-.044	.380	1.000			
Factor 5	.300	.371	.200	-.091	1.000		
Factor 3 Hof	.062	.152	-.093	-.150	-.184	1.000	
Factor 5 Hof	.174	.187	-.044	-.052	.105	.239	1.000

Thus far, this approach of trial regrouping of indices according to previous literature yields seven main factors, as summarised in Table 6.

Table 6 Possible indices of attitudinal items from trial regrouping

Potential Indices (Factors)	Question items used in the questionnaire of this thesis	Alpha (α)
1. Conviction ('Know How')	29 53	.674
2. Positive Attitudes on Business	14 18 49 39	.671
3. Money Orientation	2 10 17 45 46	.709
4. Risk Aversion in Business	7 9 24 26 28 59 62	.672
5. Aspiration to Achieve	6 8 30 43 48	.633
6. Individualism	D01 D02 D04 D08 D09 D10	.767
7. Long-term Orientation	P01 P02 P03	.727

These indices are analysed further in later sections about cultural effects on startups.

Only 35 items of all 86 attitudinal items (less than 50%) related to culture, business startups and ownership are being categorised into any factors retained here.

The retained seven factors from this ad-hoc factor analysis approach are summarised in Table 7.



Table 7 The retained factors from the 86 attitude/value questions (only 35 items were used here)

Indices (Factors)	Question items used in the questionnaire of this thesis		Alpha (a)
	Question Number	Question Wording*	
1. Conviction (Knowhow)	Q29 Q53	- If I came up with a good business concept, I know precisely how to get the funds needed to get started - If I came up with a good business concept, I know precisely where to turn for the counselling and aid I might need to get started.	.674
2. Positive attitudes on business	Q14 Q18 Q39 Q49	- I would be very happy running my own firm - Business owner-managers are very important for the nation's economy as they create employment - Individuals who founded firms created our national wealth - To run my own firm would probably be the best way for me to improve my financial position	.671
3. Money Orientation	Q2 Q10 Q17 445 Q46	- It is a shame to be not-wealthy. - I firmly believe money can solve all my problems - I feel that money is the only thing I can really count on - I let my friends know about my financial victories, pay, riches, investments, etc. - Compared to most other people I know, I think about money much more than they do	.709
4. Risk Aversion in Business	Q7 Q9 Q24 Q26 Q28 Q59 Q62	- Even if I came up with a good business concept, I would not dare take the risk of founding my own firm. - S/he who starts her/his own business runs a great risk of losing all s/he has. - Founding a firm is very risky. - I do not think I have the qualities needed for running one's own business. - People may avoid starting a business because they fear the shame they would face if they failed - An owner whose business fails brings much shame to his/her family - When a business fails, this brings much shame to the business owner	.672
5. Aspiration to achieve (Competitiveness)	46 Q8 Q30	- One must grasp opportunity whenever it comes. - I enjoy working in a situation that involves competition with others - To face new challenges and to manage to cope with them is very important to me	.633



	Q43	- I'm probably a bit pushy and trying too much to improve all the time	
	Q48	- I try harder when I'm in competition with others	
6. Individualism	D01	- Rs(Have sufficient time left for your personal or family life?)	.767
	D02	- Rs(Have good physical working conditions (good ventilation and lighting, adequate work space, etc.)?)	
	D04	- Rs(Have security of employment?)	
	D08	- Rs(Have an element of variety and adventure in the job?)	
	D09	- Rs(Have considerable freedom to adopt your own approach to the job?)	
	D10	- Rs(Fully use your skills and abilities on the job?)	
7. Long-term Orientation	P01	- Rs(thrift)	.727
	P02	- Rs(respect for tradition)	
	P03	- Rs(persistence (perseverance))	

*Rs = reversed score because in the questionnaire 1=of utmost importance, while 5=of little or no importance; the scores are reversed from 5, 4, 3, 2, 1 into 1, 2, 3, 4, 5 before factor score can be calculated (These are items labelled 'TransP...' in the SPSS output, and are reversed only the scale, but the meanings are still the same, because of the opposite in meaning in the choices used, see the questionnaire)

The next section reports on the relationship between these factors and the respondent's culture grouping together with the start-up possibility. Multinomial logistic regressions are used to test for significance of the differences across ethnic groups and or across owning groups.

Results

Comparisons of factor means across 4 heritage groups taking occupation groups into account

Multinomial logistic regressions are estimated with 'Heritage 1' as the categorical response variable having the respondent's factor mean scores as covariates.⁴¹ To facilitate comparisons between all heritage groups, the regressions are repeated with each heritage group serving as the base or reference group once. Table 8 reports beta and p-values of the factors in the regression model.

⁴¹ Multinomial logistic regression is a regression model which generalises logistic regression by allowing more than two discrete outcomes. It is used when the dependent variable (Y) in question is nominal (a set of categories which cannot be ordered in any meaningful way) and consists of more than two categories, for example, the choice of muffins, bagels or donuts for breakfast). When using multinomial logistic regression, one category of the dependent variable is chosen as the comparison category. Independent variables can be continuous, dichotomous or nominal. Multinomial logistic regression compares multiple groups through a combination of binary logistic regressions. The group comparisons are equivalent to the comparisons for a dummy-coded dependent variable, with the group with the highest numeric score used as the reference group. Multinomial logistic regression provides a set of coefficients for each of the two comparisons. The coefficients for the reference group are all zeros, similar to the coefficients for the reference group for a dummy-coded variable. Thus, if there are three groups in the Y, there are three equations, one for each of the groups defined by the dependent variable. The three equations can be used to compute the probability that a subject is a member of each of the three groups. A case is predicted to belong to the group associated with the highest probability. Predicted group membership can be compared to actual group membership to obtain a measure of classification accuracy. Multinomial logistic regression does not make any assumptions of normality, linearity, and homogeneity of variance for the independent variables. Because it does not impose these requirements, it is preferred to discriminant analysis when the data does not satisfy these assumptions. From:

www.utexas.edu/~MultinomialLogisticRegression/BasicRelationships.ppt (accessed 2 March 2010) and en.wikipedia.org/wiki/Multinomial_logit (accessed 2 March 2010), and Assoc. Prof. Kanlaya Vanichbancha's (2008) Textbook "Advanced Statistical Analysis using SPSS for Windows" (Edition 6), Bangkok: Chulalongkorn University Press.



Table 8 Significant items from the multinomial logistic regressions of dominant heritage group against the seven attitudinal factors *

Attitudinal Factors and Occupation Groups	(1) Thai vs Lao		(2) Thai Chinese		(3) Thai vs Korat Tai		(4) Chinese Lao		(5) Chinese Korat		(6) Lao vs Korat	
	β [#]	p-value [§]	β	p-value	β	p-value	β	p-value	β	p-value	β	p-value
Fac1. Know-how												
Fac2. Pro-business			.551	.005								
Fac3. Money Orientation												
Fac4. Risk Aversion			-.674	.003	-.590	.016	.565	.035			-.481	.093
Fac5. Achievement Aspirations	-.517	.010									.514	.052
Fac6. Individualism					-.456	.023			-.444	.061		
Fac7. Long-term Orientation			-.300	.047					.495	.014		

* For panels (1), (2) and (3): the Thai heritage group serving as the reference group; Panels (4) and (5): Chinese is the reference group; Panel (6): Lao is the reference group.

Only significant items are shown in this table for reasons of economy.

Numbers of people in heritage groups who answered these questions and were used in this regression model are: 111 Lao; 107 Chinese; 292 Thai; 81 Korat Tai.

[#] β is the computed coefficient for each predictor variable in a particular regression model. By examining the magnitude and sign of the regression coefficients (β) you can infer how predictor variables affect the target outcome.

[§] The p-value is the probability of obtaining a test statistic at least as extreme as the one that was actually observed, assuming that the null hypothesis is true. The lower the p-value, the *less* likely the result, assuming the null hypothesis, the *more* "significant" the result, in the sense of statistical significance. One often rejects a null hypothesis if the p-value is less than 0.05 or 0.01, corresponding to a 5% or 1% chance respectively of an outcome at least that extreme, given the null hypothesis.

As shown in Table 8, differences on attitudinal factors across heritage groups are reported as follows:

People scoring high on Fac2 (Pro-business) are more likely to be Chinese rather than Thai.

People scoring high on Fac4 (Risk Aversion) are more likely to be Thai and Lao rather than Chinese or Korat Taj.

People scoring high on Fac5 (Achievement Aspirations) are more likely to be Thai rather than Lao.

People scoring high on Fac6 (Individualism) are more likely to be Thai rather than Korat Tai.

People scoring high on Fac7 (Long-term Orientation) are more likely to be Thai or Korat Tai rather than Chinese.

Comparisons of factor means across three occupational groups taking heritage groups into account

Multinomial logistic regressions are estimated with ‘occupation groups’ as the categorical response variable and the respondents’ factor mean scores as covariates. To facilitate comparisons between all occupation groups, the regressions are repeated with each occupation group serving as the base or reference group once. Table 9 reports beta and p-values of the factors in the regression model.

Table 9 Significant items from the multinomial logistic regressions of the occupation groups against the seven attitudinal factors *

Attitudinal Factors and Dominant Heritage Group	(1) Small business owners vs Employees/wage labourers		(2) Small business owners vs Microbusiness operators^		(3) Microbusiness operators^ vs Employees/wage labourers	
	β	p-value	β	p-value	β	p-value
Fac1. Know-how	-.282	.022				
Fac2. Pro-business	-.976	.000			-.661	.005
Fac3. Money Orientation						
Fac4. Risk Aversion	.842	.000	.680	.017		
Fac5. Achievement Aspirations						
Fac6. Individualism	.305	.049				
Fac7. Long-term Orientation					-.365	.064

* For panels (1) and (2): the small business owner group serving as the reference group;

Panel (3): Microbusiness operators group is the reference group.

Only significant items are shown in this table for reasons of economy.

Numbers of people in occupation groups who answered these questions and were used in this regression model are: 319 Employees/wage labourers; 198 Owners; 62 Microbusiness operators.

^a Micro-businesses = individuals in market as hawkers, trolleys, kiosks, or home-production without shops or separated business premises.

From Table 9, attitudes show to differentiate start-up decision, as summarised below.

People scoring higher on 'Know-how' on start-ups (Fac1, Panel (1)) are more likely to be small business owners rather than employees or wage labourers.



People scoring higher on 'Pro-business' (Fac2, Panels (1) and (3)) are more likely to be in business (either small business owners or microbusiness operators) rather than employees or wage labourers.

People scoring higher on 'Risk Aversion' (Fac4, Panels (1) and (2)) are less likely to be in small business, but they can be either in employment or microbusinesses.

People scoring higher on 'Individualism' (Fac6, Panel (1)) are more likely to be employees or wage labourers rather than small business owners.

Discussion

In this paper, attitudinal items are grouped into possible Factors using a straight forward pre-grouping relying upon the prior theories, yet not grouped exactly like the factors used before. The seven factors with strong internal consistency and interpretability are: Factor 1: Know-how; Factor 2: Pro-business; Factor 3: Money Orientation; Factor 4: Risk Aversion; Factor 5: Achievement Aspirations; Factor 6: Individualism; and Factor 7: Long-term Orientation. The indicator of culture used in this study is the dominant heritage group identified by the respondents or 'Heritage1' and is used in analyses throughout the paper.

When 'Heritage?' is regressed against the seven attitudinal factor scores using multinomial logistic regression (Table 8), Chinese show more pro-business inclination than Thai while being less risk-averse than Thai or Lao. This confirms the literature about the Chinese possessing attitudes or values related to owning a business (Bun and Mackie 1996). The last factor may disprove the belief that the Chinese are likely to have Confucian traditional work ethics of 'Long-term Orientation' more than others, as suggested by Hofstede (2001).

Korat Tai heritage also has lower risk aversion than the Thai, similar to the Chinese, yet show lower likelihood to score high on Individualism than the Thai. This implies that while the Korat Tai have a tendency to accept risk in a business, they may feel more comfortable working in community enterprise activities rather than private business endeavours.

The three heritage groups do not show any significant difference from one another in their 'Know-how' on business start-ups (Fac1, across all panels) and 'Money Orientation' (Fac3, across all panels). This implies that people brought up in Thailand's social environment, though from different cultural backgrounds, may have equal access to Know-how on business start-ups and may develop similar inclinations to admire money and wealth.

When 'occupations' is regressed against the seven attitudinal factor scores using multinomial logistic regression (Table 9), it seems that a higher likelihood to be pro-business is highly related to being 'in business', while a higher likelihood in being risk-taking is highly related to being a small business owner. Money Orientation, Achievement Aspirations and Long-term Orientation are not



significantly different across occupation groups, or they cannot differentiate start-up inclination from the samples.

Considering results in Tables 8 and 9 together, it is concluded as follows:

The Chinese with 'Pro-business' inclination should be more likely to be 'in business' than generic Thai, but Chinese are not different from the Lao or Korat Tai in this regard.

The Chinese with less likelihood of 'risk aversion' should be more likely to be small business owners than generic Thai or Lao. The Korat Tai with less likelihood of 'risk aversion' should be more likely to be small business owners than generic Thai. However, Chinese and Korat Tai are not different in this regard.

Generic Thai with higher 'individualism' should be more likely to be employees or wage labourers than small business owners when compared to the Korat Tai.

It is hard to conclude whether Chinese are more likely to risk being in business than the Korat Tai. Yet, if Chinese do not want to be ashamed of their failure in business, they might strive harder to survive in business competition, if they startup at all.

In conclusion, the data can suggest only that the Chinese may be more likely to be business owners rather than employees when compared to the generic Thai. Only 'Risk Aversion' (Fac4) can distinguish small business owners from others and 'Pro-business' attitudes (Fac2) can separate people 'in-business' from employees. The belief that Chinese descendants have a higher propensity to engage in business than others may be partly true. Yes, the Chinese may be more likely to own a small business than generic Thai, but they are not significantly different from the Lao or Korat Tai.

Money Orientation cannot be used to distinguish start-up inclination or heritage groups. Money Orientation, Achievement Aspirations, and Long-term Orientation are not significantly different across occupation groups, or these three factors cannot differentiate start-up inclination from the samples. This suggests that people brought up in Thailand's environment, though from different cultural backgrounds, may have similar inclinations to admire money and wealth, to value success by self efforts, and to work hard and control oneself well for future success.

Implications for Theories

This study adds to the knowledge about entrepreneurship, especially business start-up decisions, in regional Thailand. It contributes more broadly to various disciplines, including Thai studies, economics and psychology.

For Thai studies and economics, the findings confirm popular perceptions about 'the Chinese and business', which is that their history and circumstances, including commercial familiarity and need to socially progress, encourage them to enter business.

The Thai show obvious long-term orientation. This is consistent with the literature in that Thai place greater value on relationship maintenance and a good life than risk running businesses (Suntharee 1991). The Lao do not admire risk taking, especially when it is related to business.



Although the Korat Tai show lower likelihood on risk aversion as compared to generic Thai, it is still unclear whether they are more likely to be involved in business start-ups.

Start-up know-how is shown to be related to small business ownership, yet is not different across heritage groups. Individualism is shown to be a quality of employees rather than small business owners. This is contradictory to Hofstede's (2001) suggestion that entrepreneurs should be more individualistic than non-entrepreneurs.

In terms of psychology, this research adds to the knowledge about perception, risk-taking and motivation to start businesses. It is clear from the findings that the Chinese who are more pro-business and risk-taking are more likely to own small businesses. It supports the literature in that in more risk averse (or high uncertainty-avoiding) cultures (such as the Lao and Thai), the number of individuals who start their own entrepreneurial ventures is reduced (Russell 1997).

Achievement aspirations are not different across occupation groups. This implies that at least for those people surveyed here, need for achievement does not necessarily lead to business start-ups across all ethnic groups. This study seems to confirm Brockhaus (1982) who concludes that the causal link between the ownership of a small business and a high need for achievement is not proven. He also contends that studies related to the need for achievement include only successful small business owners. Thus, the need for achievement seems to be related to the success of small business owners rather than their decision to start a business. This study's result regarding the need for achievement seems to support Robinson et al. (1991) while being inconsistent with Shaver (1995). Robinson et al. (1991) report that attitudes about achievement contribute the least to distinguishing the entrepreneurs from the non-entrepreneurs. Shaver (1995), however, shows that achievement motivation has a clear relationship to entrepreneurial activity.

In conclusion, it is possible to suggest that culture (in this study, heritage) may influence start-up decisions with support from the environment around the person making the decision. This may enhance people's attitudes about risk-taking and pro-business attitudes, which can be conducive to entrepreneurship. However, which is the causal factor is still not clear,

Implications for Policy and Practice

From the study, higher likelihood to be pro-business is highly related to being 'in business', and a higher likelihood of being risk-taking is highly related to being a small business owner. Culturally, the data can suggest only that the Chinese, when compared to the generic Thai, may be more likely to be business owners rather than employees. Only 'Risk Aversion' (Fac4) can distinguish small business owners from others and 'Pro-business' attitudes (Fac2) can separate people 'in-business' from employees. The belief that Chinese descendants have a higher propensity to engage in business than others may be partly true. Yes, the Chinese may be more likely to own a small business than generic Thai, but they are not significantly different from the Lao or Korat Tai.



This suggests that business familiarity can be promoted within the society in general to enhance positive attitudes towards business activities. This can encourage willingness to start a small business in the future among the general public and promote the willingness of the parents to provide supports (either morale or financial) to their children for engaging in business. It is suggested that proper coaching and risk management programs may be necessary to support the assertiveness of younger entrepreneurs (Thanaphol Virasa, et al, 2006). Risk taking propensity and failure acceptance should be familiarised beginning with earlier years of education.

From the study, Money Orientation cannot be used to distinguish start-up inclination or heritage groups. Money Orientation, Achievement Aspirations, and Long-term Orientation are not significantly different across occupation groups, or these three factors cannot differentiate start-up inclination from the samples. This suggests that people brought up in Thailand's environment, though from different cultural backgrounds, may have similar inclinations to admire money and wealth, to value success by self effort, and to work hard and control oneself well for future success. Though these three sets of values show no direct effect on a start-up decision, they may help enhance pro-business and risk-taking propensities shown above.

In cross country macroeconomic studies regarding entrepreneurship and national economy, it is suggested that younger entrepreneurs may demand more access to finance compared with older entrepreneurs who may have already accumulated capital through their work life (Thanaphol Virasa, et al, 2006). Providing capital to people to start a business may be impractical. However, lower restrictions on loans can be provided by the government via banks and other financial institutions. Campaigns for savings can also be useful to encourage people to create their own capital for future investment in business.

Limitations

There are several limitations to this research. They include the following:

- This research involves the very sensitive issues of ethnicity and business. Some research questions could not be answered directly and attitudes are difficult to assess.
- Attitudes measured may have varied since the time of the business start-up by some respondents. Also, the respondents had to rely on the memory of their attitudes at the time they were starting up.
- Identifying representative respondents was difficult. Snowball sampling was used to gain access to certain groups of respondents and to assure acceptable participation rates. However, it may have introduced a bias yielding a sample of emerging ventures that was more advanced in the process of starting up and more successful than the average (Davidsson 2003). The consequences of any such bias are not clear.



Further Research

To address *gaps* in this study, future research *can* focus on the following issues:

- People are likely to start a business if they have lower business risk aversion. However, the extent of how 'low' this score should be is not clear from this study. Future research can seek to establish a scale to measure the extent of business risk aversion.
- Random sampling should be conducted in order to gain results needed for generalisation to the worldwide literature.



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