

Venture Creation of Caribbean Firms

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Research has shown that entrepreneurship is important to the success of a nation's economy. Entrepreneurs see opportunities and boost the employment rate in the country. In an attempt to understand entrepreneurship, it has been noted that demographic characteristics affect entrepreneurship. Research has also looked at entrepreneurship in countries in North America and Western Europe. Along with that research has looked at minority entrepreneurship in North America and Western European countries. This article aims to look at English speaking Commonwealth countries and the factors that affect venture creation. The GEM database will be utilized as a source with comprehensive data on entrepreneurs in various countries.

The Caribbean is composed of small developing states that need to somehow survive on the international landscape. It is recognized that entrepreneurship increases the growth of an economy.

The Caribbean was historically colonized by the French, Spanish and English with the natives being made as slaves (Feyrer & Sacerdote, 2009). An unfortunate occurrence after colonization was that the indigenous population was destroyed through enslavement or disease (Diamond, 2005). Due to the potential economic gains to be had in the Caribbean the colonizers imported slaves to till the land so the Caribbean countries although speaking various European languages share a common social history (Mintz, 1977). The way slavery took place ensured that the females were sometimes without their significant others as part of the goal was separation of family. The slave owner considered each person property to be traded for profit as needed. Very early women had to know how to run their households of kids and maybe parents with the little they received from the slave masters so they were considered examples of economic figures (Momsen, 1993). So they were and are still central to the country's economy but their employment are more in the lower levels of the society in terms of wages and skills (Kessler-Harris & Sacks, 1987). The questions then arises as to why women who are used to providing for the family do not have higher ranking levels of entrepreneurship?

Prior research in countries that were colonized by the French, British and Spanish show that there are differences. Specifically the Spanish countries did not have as high a percent of female dominated households as the French and British colonized countries (Browne, 2001). In terms of gender roles it was noted that the female traditional role was strongest in the Spanish colonized country whereas it was weakest in the British colonized country (Browne, 2001). The history of the British colonized countries also include waves of migration which affect the population of males in these countries (Browne, 2001; Momsen J. , 1993).
Culture of Caribbean Gender and culture

It is acknowledged that entrepreneurship is important and that female entrepreneurship plays a role in the economy. It is also recognized that female entrepreneurship is on the rise (Amoros & Bosma, 2014). Women entrepreneurship is on the rise as there are more female

started businesses than male started businesses (Safu & Manu, 2004). Research shows that entrepreneurship varies in level from country to country based on factors such as history (Browne, 2001); and the institutional context (Goltz, Buche, & Pathak, 2015). Our research will examine English speaking Caribbean countries.

Based on the findings by Katherine Browne (2001) in terms of the traditional environment of women in Puerto Rico, Monserrat and Barbados, the Barbadian females seem more inclined to be non traditional and oriented towards entrepreneurship. Historically speaking the background of the French and English speaking colonies was one where the female took on a predominant role as the head of the house on plantations (Momsen J. , 1993). The males were more considered sources of breeding and were easily sold from one plantation to another. The strength of Catholicism is also strongest in the Spanish colonies which affects the acceptance of female dominated households and thus the desire of women to engage in entrepreneurship to support their families.

H1: There will be more female in English speaking Caribbean countries than in French or Spanish speaking Caribbean countries and more in French speaking Caribbean countries than in Spanish speaking Caribbean countries

The culture of the country can also play a role on interest in entrepreneurship for people male or female. Research on American, British and French students showed that French students were less interested in the entrepreneurial lifestyle and British students believed being an entrepreneurial allows for less chance of good living (Martz JR, Biscaccianti, & Neil, 2005). The typical French person likes having free time, whereas the British person has visual examples of successful entrepreneurs (Martz JR, Biscaccianti, & Neil, 2005). French students are noted as averse to starting a business (Bourdieu, 1989) with most students going for a degree which guarantees them at a certain level in the society (Fayolle, 2000). Spain is less entrepreneurial in nature than Britain based on Hofstede's dimensions of culture (Linan, Nabi, & Krueger, 2013).

H2: There will be more esteem of the entrepreneurial role in the English speaking Caribbean countries than in French and Spanish speaking Caribbean countries.

French entrep innovation

Innovation is seen as an important aspect of entrepreneurship as it allows countries to stay competitive (Hamren, 2014). Without a mindset of innovation, organizations are less likely to be successful. Entrepreneurial firms are generally innovative in a way that larger firms are lacking (Hamren, 2014). It is found however that France is lacking in innovation in comparison other countries (Hamren, 2014). This goes back to the level of importance placed on entrepreneurship and the perception that a degree is the way to success especially for those in the lower levels of the society. It was found that France has lower levels of entrepreneurial activity than other European countries and lags in competitiveness in comparison to Britain (World Economic Forum, 2012).

H3: Entrepreneurship in the French speaking Caribbean countries is at a lower level of innovation than in the Spanish or British speaking Caribbean countries.

So it is noted that some countries do better with entrepreneurship than others. In light of the importance of entrepreneurship and female entrepreneurship, which factors are more important for them in the Caribbean? Prior research on entrepreneurship has looked at the demographic factors for males (INSERT), access to finance (INSERT) and etc (INSERT). For

females though the factors that increase entrepreneurship for females might be different. In some Latin American and Caribbean countries, it was noted that females are more likely to go into necessity based entrepreneurship as against opportunity based entrepreneurship (Tejersen & Amoros, 2010). When women start forms of entrepreneurship it is usually small scale and with no focus on a legacy (Amoros & Pizarro, 2007; Tejersen & Amoros, 2010). At the same time in developing countries such as the Caribbean, women do not have alternatives to entrepreneurship (Adom, 2015). Opportunity based entrepreneurship is seen to have the potential to be more innovative and to have a higher impact on the economy. The framework that encourages entrepreneurship can promote opportunity based versus necessity based entrepreneurship. The question is which ones? 15-26

H4: Some framework factors encourage necessity based entrepreneurship and some encourage opportunity based entrepreneurship.

Research on necessity based entrepreneurship shows that education has an impact on the scale of entrepreneurship (Adom, 2015). So it seems that education is an important requirement for opportunity based entrepreneurship. Prior research on minority entrepreneurship has also shown that prior knowledge of entrepreneurship increases entrepreneurship (INSERT). Risk taking ability also plays a role on ability to engage in entrepreneurship (INSERT). It is thus probable that prior knowledge of entrepreneurship and willingness to take risk will increase the proportion of opportunity based entrepreneurship versus necessity based entrepreneurship.

H5a: Opportunity based entrepreneurship increases with knowledge of entrepreneurship

H5b: Opportunity based entrepreneurship increases with risk taking ability of the entrepreneur.

Methodology

The Global entrepreneurship monitor (GEM) collects data on over 100 countries. They conduct several interviews on entrepreneurs. It began in 1999 and views what causes some countries to be more entrepreneurial than others. This is the perfect environment to observe Caribbean countries that were colonized by the French, Spanish and British. We can compare the levels of female entrepreneurship in the countries.

To evaluate how many female entrepreneurs exist in each country, we can use a descriptive analysis with a bar chart. The countries of 246 (Barbados), 876 (Jamaica), 868 (Trinidad) are British and 809 (Dominican Republic), 787 (Puerto Rico) are Spanish. There was no collection for French colonized countries in this specific dataset. Jamaica was the highest of these countries with 23.4 percent and Trinidad was 6.3. Barbados was 3.6%. On the other hand the Dominican Republic was 8.3% and Puerto Rico was only .8%. So in comparing the British colonies with the Spanish ones, there are more entrepreneurs in the British colonies. This provides support for hypothesis 1.

In terms of hypothesis 2, a legacy dialog was conducted. The result showed that the esteem of entrepreneurship was highest in Jamaica, an English speaking country. For Barbados it was one of the lowest and for Trinidad it was average in comparison to the other countries in the sample. For the Dominican Republic the esteem of entrepreneurship is the second highest whereas for Puerto Rico it was also average. So there is partial support for hypothesis 2.

For hypothesis 3, another legacy dialog was conducted. Based on the data low innovation is 1 and high innovation is 3. Interestingly enough Jamaica which has the highest

level of entrepreneurship has a high incidence of low innovation. Jamaica and the other countries also had innovation at the level of 3. Puerto Rico notably had low levels of innovation at the low and high levels. So there is not full support for this hypothesis and in actuality there might not be any correlation between the country and the level of innovation.

In terms of hypothesis 4, chi squares were conducted based on the fact that the dependent variable of reason either opportunity or necessity based. The chi square was conducted using legacy dialog in SPSS. The results show us that that the framework does have an impact on whether or not one engages in necessity based entrepreneurship.

For the final hypothesis a regression was conducted. Findings show significant positive impacts of lack of fear and knowledge of entrepreneurship on opportunity seeking entrepreneurship. This shows that when there is prior knowledge and interest in risk taking, the entrepreneur will engage in the more profitable form of entrepreneurship.

Discussion

There is a dearth of research on the Caribbean and entrepreneurship and even more so on female entrepreneurship. This paper attempts to look at female entrepreneurship from Spanish, British and French speaking Caribbean countries. Unfortunately the GEM database did not provide information on French speaking Caribbean countries so we were not able to collect data on that. The findings on Spanish and British Caribbean countries show that there are more female entrepreneurs in British Caribbean countries in comparison to Spanish Caribbean countries. The esteem of entrepreneurship did not seem to be related to the country being Spanish or English speaking. The level of innovation also varied. It was noted though that the framework aspects show an impact on the choice of necessity versus opportunity based entrepreneurship. Finally, prior entrepreneurial knowledge and interest in risk taking increase interest in opportunity based entrepreneurship.

These findings help in understanding the entrepreneurship in the Caribbean. The country effect is understood more based on research and the impact of various aspects can also be evaluated.

The implications are that more is now understood on how history and culture plays a role on entrepreneurship and it allows countries to create policies to encourage risk taking, and building knowledge on entrepreneurship. There is also potential to find out which aspects of the framework play a role on opportunity based entrepreneurship. The question also arises as to what else with differentiate female entrepreneurship in Spanish speaking Caribbean countries from British Caribbean countries.

Unfortunately work was not done on French speaking countries and there was not a specification as to which aspects of the framework encourage entrepreneurship. There is so much more to be done on this and to the benefit of the Caribbean countries.

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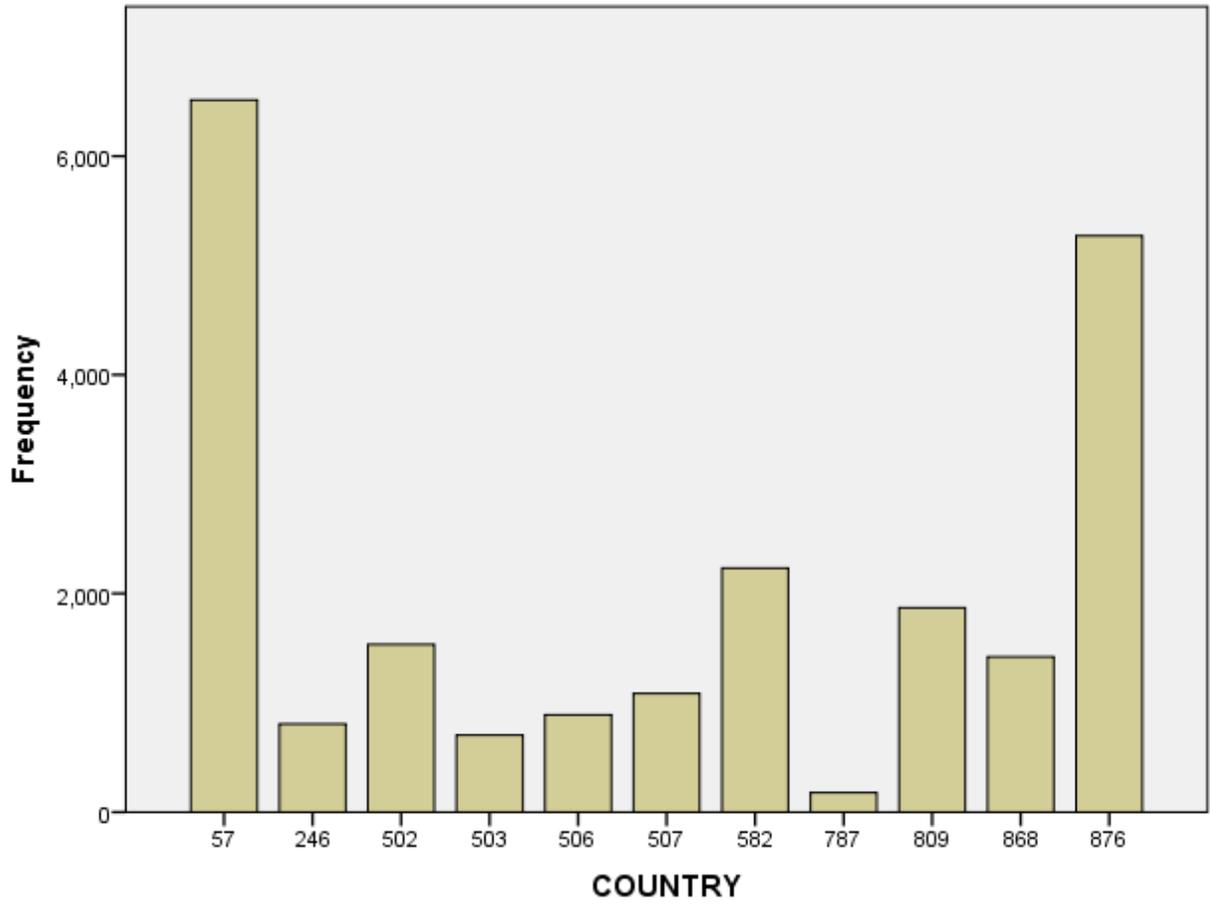
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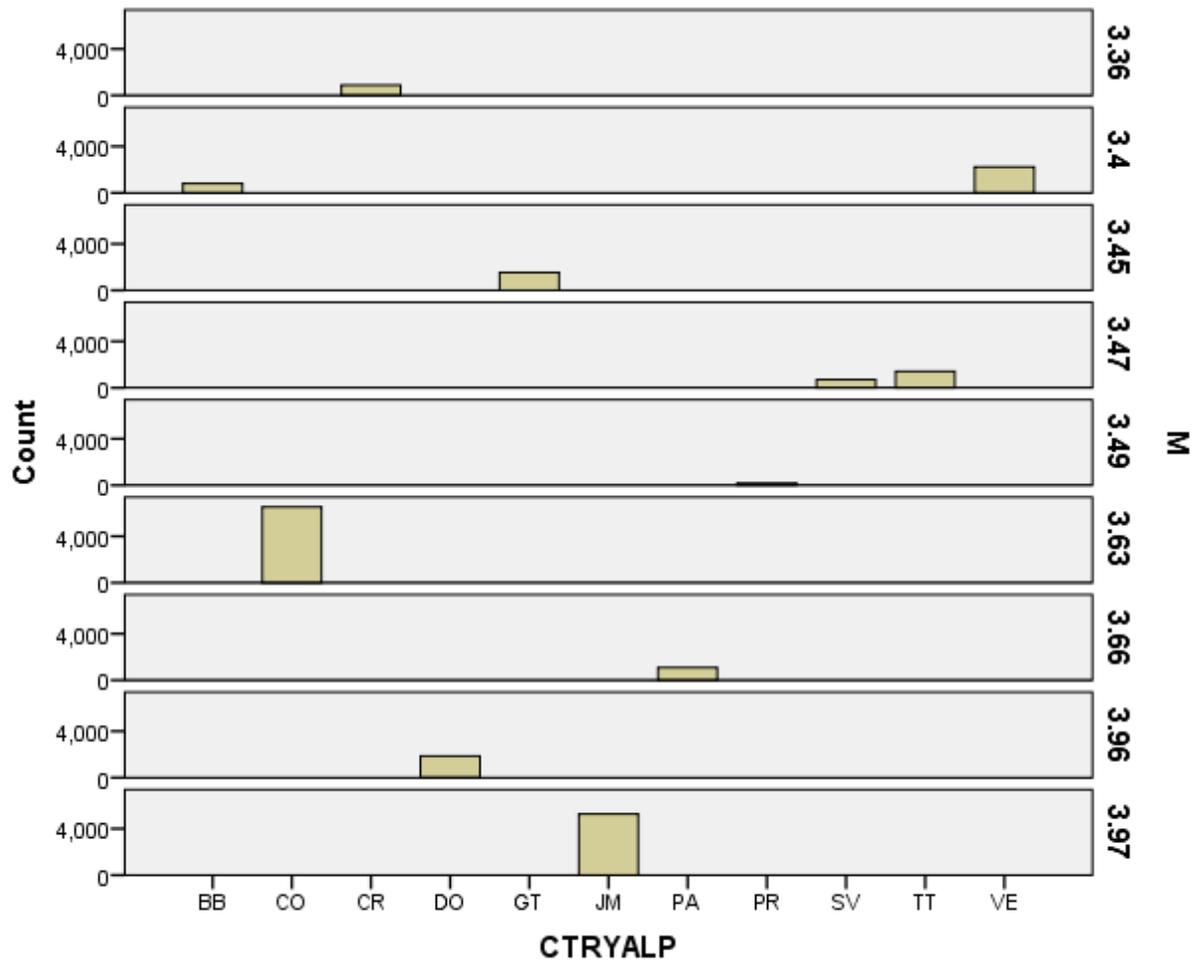
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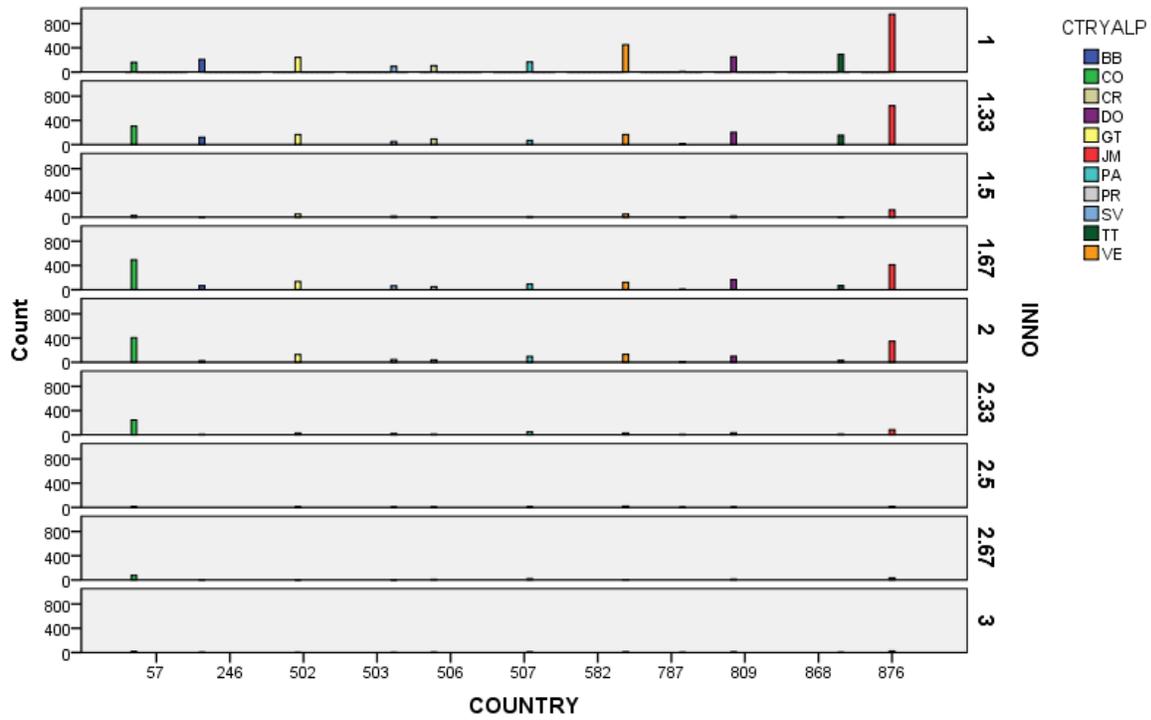
COUNTRY

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	57	6514	28.9	28.9	28.9
	246	806	3.6	3.6	32.5
	502	1533	6.8	6.8	39.3
	503	705	3.1	3.1	42.5
	506	890	4.0	4.0	46.4
	507	1085	4.8	4.8	51.3
	582	2232	9.9	9.9	61.2
	787	179	.8	.8	62.0
	809	1868	8.3	8.3	70.3
	868	1420	6.3	6.3	76.6
	876	5271	23.4	23.4	100.0
Total		22503	100.0	100.0	

COUNTRY







Categorical Variable Information

	N	Percent
Factor A 1.86	300	3.4%
1.96	786	8.9%
2.04	435	4.9%
2.05	309	3.5%
2.07	982	11.1%
2.13	1728	19.5%
2.17	684	7.7%
2.29	505	5.7%
2.33	48	0.5%
2.39	2541	28.7%
2.80	550	6.2%
Total	8868	100.0%

B	1.72	982	11.1%
	2.04	300	3.4%
	2.05	684	7.7%
	2.10	48	0.5%
	2.11	2541	28.7%
	2.23	550	6.2%
	2.25	786	8.9%
	2.36	435	4.9%
	2.38	309	3.5%
	2.49	1728	19.5%
	2.74	505	5.7%
	Total	8868	100.0%
	C	1.65	982
2.16		684	7.7%
2.31		2841	32.0%
2.32		550	6.2%
2.36		786	8.9%
2.38		435	4.9%
2.43		48	0.5%
2.78		2037	23.0%
2.91		505	5.7%
Total		8868	100.0%
D	2.15	505	5.7%
	2.25	982	11.1%
	2.30	48	0.5%
	2.32	300	3.4%

	2.38	435	4.9%
	2.39	786	8.9%
	2.48	550	6.2%
	2.49	2541	28.7%
	2.53	684	7.7%
	2.58	309	3.5%
	2.66	1728	19.5%
	Total	8868	100.0%
E	1.77	300	3.4%
	1.83	435	4.9%
	2.00	1768	19.9%
	2.06	684	7.7%
	2.08	2541	28.7%
	2.11	550	6.2%
	2.18	48	0.5%
	2.23	1728	19.5%
	2.27	505	5.7%
	2.54	309	3.5%
	Total	8868	100.0%
F	2.60	1728	19.5%
	2.63	300	3.4%
	2.79	505	5.7%
	2.81	786	8.9%
	2.92	982	11.1%
	2.94	2541	28.7%
	2.95	309	3.5%

	3.02	483	5.4%
	3.14	550	6.2%
	3.29	684	7.7%
	Total	8868	100.0%
G	2.31	300	3.4%
	2.37	435	4.9%
	2.43	684	7.7%
	2.50	550	6.2%
	2.53	1728	19.5%
	2.54	786	8.9%
	2.60	48	0.5%
	2.62	309	3.5%
	2.63	505	5.7%
	2.72	982	11.1%
	2.75	2541	28.7%
	Total	8868	100.0%
H	3.17	48	0.5%
	3.34	1728	19.5%
	3.44	2541	28.7%
	3.48	1417	16.0%
	3.51	309	3.5%
	3.59	786	8.9%
	3.67	550	6.2%
	3.88	505	5.7%
	3.94	684	7.7%
	4.00	300	3.4%

	Total	8868	100.0%
I	2.45	48	0.5%
	2.60	982	11.1%
	2.62	435	4.9%
	2.67	684	7.7%
	2.74	550	6.2%
	2.86	309	3.5%
	2.87	505	5.7%
	3.03	1728	19.5%
	3.07	786	8.9%
	3.10	300	3.4%
	3.36	2541	28.7%
	Total	8868	100.0%
K	2.71	300	3.4%
	2.80	982	11.1%
	2.84	48	0.5%
	3.01	786	8.9%
	3.03	2541	28.7%
	3.08	435	4.9%
	3.09	550	6.2%
	3.15	309	3.5%
	3.38	1728	19.5%
	3.39	684	7.7%
	3.77	505	5.7%
	Total	8868	100.0%
L	2.09	300	3.4%

	2.16	435	4.9%
	2.24	505	5.7%
	2.29	2541	28.7%
	2.32	982	11.1%
	2.34	550	6.2%
	2.41	1728	19.5%
	2.44	48	0.5%
	2.46	309	3.5%
	2.52	786	8.9%
	2.54	684	7.7%
	Total	8868	100.0%
M	3.36	309	3.5%
	3.40	1417	16.0%
	3.45	684	7.7%
	3.47	850	9.6%
	3.49	48	0.5%
	3.63	1728	19.5%
	3.66	505	5.7%
	3.96	786	8.9%
	3.97	2541	28.7%
	Total	8868	100.0%
N	1.75	982	11.1%
	1.99	684	7.7%
	2.41	300	3.4%
	2.44	550	6.2%
	2.56	435	4.9%

	2.59	4269	48.1%
	2.86	786	8.9%
	2.93	505	5.7%
	2.94	309	3.5%
	3.19	48	0.5%
	Total	8868	100.0%
P	3.02	684	7.7%
	3.08	550	6.2%
	3.10	300	3.4%
	3.27	309	3.5%
	3.31	2589	29.2%
	3.34	2710	30.6%
	3.41	786	8.9%
	3.59	505	5.7%
	3.66	435	4.9%
	Total	8868	100.0%
Q	2.21	982	11.1%
	2.37	684	7.7%
	2.45	300	3.4%
	2.60	786	8.9%
	2.71	435	4.9%
	2.83	48	0.5%
	2.87	505	5.7%
	2.88	550	6.2%
	2.97	2541	28.7%
	3.11	1728	19.5%

	3.19	309	3.5%
Total		8868	100.0%

Test Statistics

	A	B	C	D	E	F	G
Chi-Square	19634.289 ^a	19634.289 ^a	19582.761 ^b	19634.289 ^a	19509.244 ^c	15931.853 ^c	19509.244 ^c
df	10	10	8	10	9	9	10
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 2045.7.

b. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 2500.3.

c. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 2250.3.

d. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 4371.0.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.078 ^a	.006	.006	.497

a. Predictors: (Constant), knowent, NOFEARFAIL

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.973	2	5.987	24.258	.000 ^b
	Residual	1973.367	7996	.247		
	Total	1985.341	7998			

a. Dependent Variable: REASONOP

b. Predictors: (Constant), knowent, NOFEARFAIL

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.462	.013		35.824	.000
	NOFEARFAIL	.075	.013	.064	5.716	.000
	knowent	.043	.011	.043	3.881	.000

a. Dependent Variable: REASONOP