

## Impact of Collectivist Culture on the Long-Term Viability of SMEs in South-South Nigeria

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### Abstract

*This study explored the impact of collectivist culture on the long-term viability of selected small and medium-sized enterprises (SMEs) in the South-South region of Nigeria. Both primary and secondary data collection methods were employed. The population size was 1,632, and a sample size of 321 was calculated using Krejcie and Morgan's formula with a 5% margin of error and a 95% confidence level. Data were gathered using a meticulously designed questionnaire, which was randomly distributed among the selected sample. Out of the 321 surveys distributed, 298 were returned, while 23 were not. The study employed regression analysis to examine the influence of collectivist culture on the survival of the chosen SMEs. The results indicated that collectivist culture significantly impacts the entrepreneurial development of these SMEs. The study concluded that cultural values play a crucial role in enabling SME owners in South-South Nigeria to achieve optimal commercial performance. Additionally, it found that effectively managing various aspects of cultural values could lead to substantial improvements and a potential achievement rate of 90%. The study recommended that SMEs consistently adopt entrepreneurial collectivism values to enhance their survival chances and foster interdependence. This approach has significant implications for promoting sustainable, harmonious development and enabling expansion and growth.*

**Keywords:** *Collectivism, Culture, Entrepreneurial Survival, SMES in South-South, Nigeria*

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### Introduction

The importance of cultural heritage, habits, and beliefs in human and commercial operations cannot be overstated in the realm of commerce. Establishing a business venture or settling in a new region can be futile without understanding the social and cultural surroundings. Environmental and cultural contexts strongly influence the establishment of businesses, especially small and medium-sized enterprises (SMEs). Disparities in value systems and cultural orientations are essential factors to consider when building and running a corporation (Mehdi & Ali, 2012). Countries in Europe, Asia, and Africa are striving to develop institutional frameworks that are culture-friendly at all phases, supporting high expertise in entrepreneurship (Atomico, 2019; World Economic Forum, 2013; 2014). It is necessary to understand cultural activities not only in cultural terms, but also in economic terms (Saxenian, 1996). The tremendous success of corporations originating in Silicon Valley, such as Google, Facebook, Amazon, and WhatsApp,

has led to discussions on a so-called startup culture, where these firms play a canonical role (Hyrkäs, 2016).

Numerous scholars suggest that neoliberalism should be seen as contextual, adapted, or disputed depending on the context and institutional frameworks of a given area (Brown, 2015; Gershon, 2011; Stenning, Smith, Rochovska, & Swiatek, 2010; Wei, Liu, Zhang, and Chiu, 2008). Neoliberalism does not leave nations unchanged, resulting in identical, preset effects everywhere. Instead, global and foreign elements are reinterpreted from the perspective of local cultural meaning systems until the foreign no longer feels foreign—it transforms from something that is thought about to something that is thought with (Alasuutari & Qadir, 2014).

Egan-Wyer et al. (2018) emphasize the linguistic side of cultural dissemination: startups' jargon and terminology, such as 'scalability' and 'disruption', have migrated to mainstream media and popular culture. The term startup culture refers to unique practices and vague, widely diffused cultural connotations. Domesticating it involves a local, discursive negotiation. Startup culture is established via a dialogic process where local players manage and familiarise the external alien, reinterpreting it from the perspective of local meaning systems. Global phenomena are not just replicated but altered and reconstructed, yielding new meanings and understandings. The familiar gets domesticated, or tamed, by the foreign, and formerly unusual events gradually become natural and acceptable in the familiar context (Alasuutari & Qadir, 2014; Collier & Ong, 2005; Nash, 2010; Stenning et al., 2010; Syväterä, 2016).

The modern ecosystem has evolved into a complex, linked web of investors, entrepreneurs, mentors, incubators, accelerators, technology providers, and more. This dynamic and ever-evolving environment has been shaped by the expansion of the Internet, advances in technology, and several other factors. It offers opportunities for entrepreneurs to establish their firms and promote innovation and employment growth worldwide.

This study examines the effects of collectivism on Nigerian culture and entrepreneurship development, particularly among SMEs in South-South Nigeria attempting to enter the business sector with new ventures (i.e., startups). Interest in startups has surged in recent years, especially among young people who are keen on adopting current technical solutions to develop personal ventures. This interest is a response to local and global economic decline and instability, including large-scale unemployment and a lack of work opportunities. Young people recognise that starting their own ventures is complex and riddled with obstacles. Therefore, the development of SMEs plays a vital role in the country's economic prosperity. Mostaghel, Oghazi, and Patel (2022) noted that entrepreneurship literature offers multiple perceptions to guide development initiatives, but the dominant understanding focuses on starting and managing one's business and being self-employed, reflecting the common understanding guiding national entrepreneurship development. SMEs in southern Nigeria are also trying to adopt creative cultures that can transform them into lean industries. Embracing change, technology, and artificial intelligence (AI) can give organisations a competitive edge. This approach allows firms to identify and implement opportunities for improvement. Additionally, SMEs will learn to develop innovative human capital strategies and job redesigns to boost their transformation. Given their high labour intensity, SMEs play a crucial role in global economic growth, contributing significantly through job creation, creative processes, technical advancement, organisational innovation, income generation, and economic competitiveness (Kooli, 2021; Nikolić et al., 2019). As a result, this study investigates

the impact of collectivist culture on the entrepreneurial survival of selected SMEs in southern Nigeria.

### **Culture**

Culture comprises the values, beliefs, assumptions, and symbols that shape how organizational members think and behave (Sriramesh, Grunig, & Buffington, 1992). It addresses essential questions such as who we are (identity), what we believe in (values), where we are headed (vision), why we exist (mission and purpose), and how we stand out in the marketplace (character). Culture is often considered the foundation of corporate decisions, communications, and activities (Sriramesh et al., 1992). Cultural norms dictate what is supported or discouraged and accepted or rejected within an organization or group (Hallak, Assaker, O'Connor, & Lee, 2018).

### **Organizational culture**

The study of organizational culture is relatively recent. Until a few decades ago, organizational culture was often overlooked, with attention focused on other aspects deemed more crucial to organizational performance (Davidson, 2003). Recently, however, both academics and practitioners have recognized the importance of exploring organizational culture due to its significant impact on an organization's effectiveness and performance.

For instance, a market culture is externally oriented, supported by a controlled structure and a results-oriented approach. A fundamental assumption of market culture is that a focus on achievement fosters competitiveness and aggressiveness, leading to high productivity and increased shareholder value (Cameron & Quinn, 1999). This culture emphasizes communication, competence, centralized decision-making, and achievement. Organizations with a market culture are aggressive, demanding, and focused on winning. Their long-term concern is competitive actions and achieving ambitious goals and targets.

In contrast, a hierarchy culture is internally oriented and reinforced by a controlled structure. Also known as bureaucratic culture, it is characterized by a formal and structured work environment. The core assumption of hierarchy culture is that control, stability, and predictability promote efficiency. Hierarchy cultures value stability, routinization, formalization, and consistency. Decision-making is centralized, and procedures are well-defined. Formal rules and policies hold the organization together.

### **Collectivism Culture**

Collectivism culture is characterized by mutual protection among individuals through the formation of close team relationships and loyalty to the collective interest. According to Hofstede (1980) and Bhagat (2002), goals in a collectivism culture are established with the team's interests in mind. When an individual's opinion diverges from the larger community, they tend to avoid conflicts by not expressing differing views. As a result, individuals are less likely to voice their own interests.

In contrast, individualistic culture emphasizes tenuous relationships between people, where individuals are responsible for looking after themselves and their families. In such cultures, employees' value and their organization's perception of them are often reflected through the allocation of resources, leading employees to focus on personal achievement and gain in their work. Collectivism and individualism influence people's tendencies to engage in environmental behavior differently. Collectivists consider the impact of individual behavior on others, driving behavior by social norms and a willingness to share scarce resources. Individualists, on the other

hand, tend to engage in contractual relationships based on exchange principles, weighing profits and losses before acting. They focus on immediate benefits relative to costs, with extrinsic benefits often being scarce in the short term compared to perceived costs (Yuan, 2020).

The collective dimension reflects the degree to which individuals are encouraged by social institutions to integrate into groups within organizations and society. Societies that value entrepreneurship and innovation introduce efficient institutional systems to promote innovative companies. The institutional environment influences economic activity, entrepreneurship, and strategic actions of organizations (Manolova et al., 2008; Sato, Tabuchi, & Yamamoto, 2012). Strong institutional environments, such as robust legal and financial systems, shape entrepreneurs' cognitions and their willingness to start businesses (Mitchell et al., 2002; Lim et al., 2010). Ozgen (2012) proposed that individuals in high institutional collectivism societies perceive business efforts as desirable because these companies strengthen sociocultural infrastructure, establish support systems, and facilitate business activities and the creation of new companies (Steier, 2009). Conversely, empirical studies suggest that potential entrepreneurs in societies with low administrative processes, bureaucratic procedures, and difficulties in accessing credit or specific training programs face challenges (Grilo & Thurik, 2005; Klapper et al., 2006; Ozgen, 2012).

Another dimension of collectivism is pride and loyalty to family, close friends, and organizations to which individuals belong. Collectivist orientation fosters commitment and sacrifice among employees (Gelfand et al., 2004) and provides a protective environment that minimizes uncertainty associated with business creation and innovation application. However, Zhao et al. (2012) indicate that these aspects are more critical in countries with low and middle GDP than in high GDP countries due to the availability of alternative resources in the latter. In low and middle GDP countries, startup entrepreneurs rely more on traditional in-group collectivism resources.

Collectivism culture emphasizes the needs and goals of the group over the individual. Group cooperation tends to be more productive in societies where interdependence is valuable, such as in agricultural activities compared to herding (Nisbett et al., 2001). Research suggests that collectivism culture influences behavior through self-identity, an internal construct of the self. Thus, collectivism culture affects individuals from within, influencing their green investment behavior and shaping individual values, directly impacting green investments. Additionally, the conservative disposition of individuals with a collectivist tendency influences investment preferences, further affecting green investments.

### **National Culture and Entrepreneurship**

As a complex social structure, culture encompasses knowledge, values, beliefs, art, morality, customs, and habits shared by the majority of a society's members. It serves as a mental model (Au, Han, & Chung, 2018) that influences how members of a society adopt and share sophisticated business ideologies. Culture impacts individual decisions and corporate practices within a community. National cultures include shared ideas, values, and practices suited to a particular social structure, whether in business or society.

Studies (Hofstede, 2001; Hall, 1990) often use the terms culture and nationality interchangeably, suggesting that nation-states consist of people with a common history and experience, resulting in cultural homogeneity. National culture is typically defined as a society-wide set of norms, beliefs, shared values, and expected behaviors that guide people's daily lives (House et al., 2002). Increasingly, societal norms are seen as responsibilities, with conservatism and hierarchy principles being particularly dominant. This normative attitude requires employees to accept their

job responsibilities and conform to institutional arrangements, regardless of personal preferences. Managers in such societies are more successful in motivating workers through appeals to intrinsic work aims (Schwartz, 1999).

People's cultural beliefs change with their political, social, and economic circumstances, necessitating regular updates and re-evaluation of cultural concepts (Wu, 2006). In a prior study, Eringa (2017) examined the cultural traits identified by Dutch researcher Geert Hofstede among international business students. Hofstede's initial study in the late 1960s included a large sample of 116,000 IBM engineers, mostly male. He identified four, then five, and eventually six cultural orientation features that varied between national cultures based on his analysis (Hofstede, 2001; Hofstede et al., 2010b). Hofstede uses the analogy of software for the mind to emphasize culture's importance, highlighting both visible and invisible actions that impact human behavior (Rinuastuti et al., 2014; Sondergaard, 1994; Kirkman et al., 2006).

### **Innovation Culture**

Every organization has a culture, whether it is intentionally built and maintained by leadership or allowed to grow autonomously. This research focuses on organizational culture, encompassing not only corporate culture but also the culture of schools, universities, not-for-profit groups, government entities, etc. By broadening the scope, it allows for a wider range of literature to be used. Thus, the term "organizational culture" is preferred over "corporate culture," as corporate culture is a narrower subset.

Tian et al. (2018) define innovation-oriented culture as a set of organizational cultural values, norms, and artifacts that support a company's innovativeness. As an intangible strategic resource, it emphasizes innovation, risk-taking, future market orientation, open-mindedness, and learning. Hanifah et al. (2019) highlight that leaders must be adaptive and describe an innovation culture with several key elements. These elements align with three of the five topics this thesis identifies as supporting an innovation culture. Adaptive companies enact cultural norms that enhance their capacity for innovation and their ability to assimilate information or knowledge. This can be achieved by fostering cultural norms that emphasize flexibility, openness in communication, and a future orientation that focuses on employee development and strategic planning. In contrast, organizations that are less successful in fostering these cultural norms struggle to adapt and evolve with their environments (Hanifah et al., 2019).

### **Leadership Culture**

Leadership culture refers to how a company's leaders interact with each other and their employees. Several strategies can be implemented to develop a strong corporate leadership culture. These strategies include creating and promoting a leadership-based culture within the organization, enhancing the staff management skills of the company's managers, offering training programs to help managers develop their leadership abilities, and clearly defining the preferred leadership style within the company while training managers accordingly. Additionally, it is important to foster leadership qualities in all employees, not just managers (Agendrix, 2023).

Agendrix (2023) highlights the benefits of having a leadership culture within a company. These benefits include improving the employee experience, conveying the company's values, enhancing employee performance, encouraging accountability and transparency, stimulating innovation, and building a strong corporate culture. Authority refers to a person's ability to be listened to, obeyed, and respected, granting them formal power to direct others. Leadership, on the other hand, is the ability to exert a positive influence on a group to achieve objectives and is based on informal power

and voluntary adherence. A company's culture directly influences how its managers lead by setting guidelines for the practices advocated within the organization. Conversely, leadership can also shape corporate culture, as leaders create new traditions and advance the corporate culture, solidifying it further (Agendrix, 2023).

### **Scrambling Leadership Culture**

In this culture, there is a pervasive sense of anxiety, with individuals constantly rushing to meet demands, as if they have their hair on fire. Employees at all levels—whether they are staff, supervisors, managers, VPs, or CEOs—feel perpetually overwhelmed by daily demands, struggling to keep up. The relentless focus on addressing immediate needs leaves little room for growth or future planning, as energy is consumed managing today's and often yesterday's issues. This scrambling culture drains significant energy from the company and its employees, who are perpetually engaged in putting out fires and hurrying to complete tasks. Instead of using this energy to enhance working conditions, align with core company values, and strive to exceed expectations, it is wasted on recurring problems and misunderstandings that hinder progress. Attempts to escape this cycle are typically short-lived. Managers often resort to quick fixes that fail to address underlying issues, ultimately perpetuating the cycle of scrambling rather than implementing solutions that drive meaningful change and improve operational efficiency.

### **Entrepreneurial growth**

#### **Entrepreneurial Growth**

The term "entrepreneurial growth" refers to an organization's strategic efforts to achieve its objectives through expansion and enhancement in areas such as quality, quantity, and turnover. This growth can manifest in various forms, including innovations, business development, radical changes, expansions, and improvements in the customer base. Entrepreneurship plays a crucial role in the development and growth of regions worldwide, significantly contributing to economic progress. Entrepreneurs create employment opportunities that address issues such as poverty and regional imbalance, particularly in developing countries that rely heavily on agriculture and strive to boost entrepreneurial activities.

According to Harappa (2021), factors influencing entrepreneurial growth can be broadly classified into economic and non-economic categories. Economic factors directly impact entrepreneurial development, while non-economic factors also play a significant role in shaping growth and success.

### **Theoretical Framework**

#### **Cochran's Theory of Entrepreneurship (Thomas Cochran, 1965)**

The Cochran theory, introduced by Thomas Cochran in 1965, examines entrepreneurial approaches from perspectives such as the occupational hazards encountered and the expectations individuals have regarding their profession (Pawar, 2013; Otaghsara & Hosseini, 2014). According to this theory, entrepreneurship is influenced by variables like cultural values, role expectations, and social sanctions. It posits that entrepreneurs are not extraordinary individuals but rather represent the "modal personality" of their society. This term, coined by anthropologist Cora DuBois, describes behavioral traits that individuals develop in response to psychological, neurological, and cultural factors (Birx & Fogelson, 2012).

Thus, a person's entrepreneurial performance is shaped by several factors: their attitude toward their profession, the societal role expectations enforced by sanctioning groups, and the operational demands of their job (Pawar, 2013).

### **Max Weber's Theory of Social Change (Max Weber, 1980)**

The theory of social change, proposed by Max Weber in the 1980s, centers on the interplay between religion and social transformation. Weber argued that religious beliefs significantly influence the development of entrepreneurship. According to this theory, the entrepreneurial qualities of individuals or groups are deeply rooted in the society to which they belong, and this societal perspective is shaped by the prevailing religious and ethical beliefs (Rao & Singh, 2018). Weber's theory also highlights the crucial role of capitalism in fostering entrepreneurial qualities. He applied his theory to Indian society, noting that the religious beliefs of Hinduism in India lack a capitalist spirit. The ethical values prevalent in India are largely focused on individuals rather than on the society as a whole, which undermines the development of entrepreneurial spirit (Pawar, 2013). Thus, the theory suggests that an individual's religious and ethical context is a major determinant of entrepreneurial traits. Furthermore, it posits that individuals from societies where capitalist principles dominate are more likely to exhibit entrepreneurial qualities (Beetham, 2018).

### **Effect of Collectivism Culture on Entrepreneurial Survival**

Qu (2023) conducted a study on collectivism culture and green transition using panel data from 31 Chinese provinces covering the period from 2004 to 2017. This research explores the relationship between collectivist culture and green investments. The findings reveal that provinces with a stronger collectivist culture are more inclined to invest in green technologies, and these results hold after various robustness tests. Additionally, the positive impact of collectivism on green investments is more pronounced in provinces where the governor is older, better educated, and has a longer tenure. The effect is also more significant in areas with higher pollution levels, stronger collectivism, and more developed markets. This study addresses a theoretical gap in research on green investments from a cultural perspective and offers important implications for advancing green development and achieving carbon peaking and neutrality.

Berk (2021) analyzed the role of collectivism within the context of the "big triangle" of institutions, culture, and economic development. The study reviews recent literature on the interplay between culture, institutions, and economic growth. It finds that while some research suggests a one-way causality from culture to institutions and economic performance, other studies have established causality running from institutions to economic growth and culture. However, a growing body of empirical research shows that culture and institutions interact in a complementary manner, affecting long-term economic growth. The literature has predominantly focused on the positive effects of individualism rather than collectivism. Berk's paper argues that the benefits of collectivism have been underexplored in economic literature and suggests that understanding collectivism could help address various economic puzzles, such as collective action problems.

### **Effect of National Culture on Entrepreneurial Customer Satisfaction**

Hussien and Khedr (2021) investigated how national culture influences knowledge-sharing attitudes among international students at UK universities. Utilizing Hofstede's cultural framework, the study examined whether students from different cultural backgrounds exhibited varying attitudes toward knowledge sharing. The researchers also explored different motivators and barriers to knowledge sharing across cultural groups. Data were collected from 103 students through an online questionnaire. After confirming the validity and reliability of the measures, descriptive analysis revealed that most participants had a high attitude toward knowledge sharing. However, a T-test showed no significant differences in attitudes between students from different cultural backgrounds. Significant differences were found in the motivators and barriers perceived

by students from various cultures. This study contributes to the limited research on cultural influences on knowledge sharing and provides valuable insights for higher education institutions in the UK and other multicultural universities worldwide.

Stamolampros, Dousios, and Korfiatis (2020) examined the combined impact of consumer and service provider cultures on online service evaluations using a response surface analysis. They noted that while national culture significantly affects consumer expectations, satisfaction, and evaluations, existing literature often overlooks the interplay between customer and service provider cultures. Their study addressed this gap by analyzing the joint effects of both cultures on passenger evaluations of airline services, using a comprehensive dataset of reviews from various countries. By employing response surface methodology, the study revealed complex, non-linear relationships that provide deeper insights into how national culture affects service perceptions and evaluations. This approach offers new perspectives for researchers and service providers seeking to understand cultural impacts on customer evaluations.

Nordström (2021) explored how cultural differences impact customer satisfaction and willingness to recommend a company, using feedback from Swedish, Finnish, Norwegian, and Danish markets collected by Company X. The study aimed to understand how cultural variations influence customer satisfaction and potential referrals. Both quantitative and qualitative analyses were employed, with findings analyzed through Hofstede's cultural framework. The results indicated notable differences in customer satisfaction and willingness to recommend the company across the markets. Finnish customers were most likely to recommend Company X, while Danish customers were most satisfied with their overall experience. In Sweden, Norway, and Denmark, dissatisfaction was primarily due to a lack of responsiveness, whereas Finnish customers were dissatisfied with the company's failure to build trust. Empathy was a key factor in satisfaction for customers in Sweden, Norway, and Denmark, while Finnish customers valued responsiveness and reliability. These findings suggest that Finnish customers evaluate service quality differently compared to customers in the other Nordic markets.

#### **Effect of Innovation Culture on Entrepreneurial Competitiveness**

Zhang and Zhou (2021) investigated how various factors within government departments, educational institutions, and business organizations impact the innovative culture in Zhejiang Province, with a specific focus on educational factors. The study utilized interviews and a questionnaire survey to gather data, which were then analyzed using correlation and regression techniques with SPSS software. The research established multiple factor regression models to uncover the internal relationships and mechanisms between the variables. The results highlighted the effects of the three dimensions—government agencies, business organizations, and educational institutions—on innovation culture in the province. The study also offered recommendations for enhancing the innovation culture in Zhejiang from an educational perspective.

Roffeei, Yusop, and Kamarulzaman (2018) aimed to develop a model of innovation culture that fosters desirable innovative behaviors among students. Data were collected from 1,008 undergraduate students at five public research universities in Malaysia using a questionnaire derived from existing literature. Structural equation modeling analysis revealed that self-efficacy, effective communication, and a climate for innovation are key determinants of innovation culture. Although no differences were found in the climate for innovation, the study demonstrated that self-efficacy and effective communication significantly influence innovative behavior. This



underscores the importance of communication and self-belief in cultivating an innovation culture and shaping intended behaviors, regardless of situational or environmental factors.

### Methodology

The study utilized a survey design to collect data, employing primary sources such as questionnaires, interviews, and direct observations. This approach was chosen based on the characteristics of the target population and respondents.

Data sources included both primary and secondary types. The primary data were gathered directly from staff members of selected SMEs in South-South Nigeria using a questionnaire. Secondary data were sourced from existing literature, including journals, magazines, newspapers, and online resources relevant to the study.

The study's population comprised 1,632 individuals, including senior and junior staff as well as owners of SMEs in South-South Nigeria. Although Edo State was unintentionally excluded, the study focused on SMEs selected for their viability, visibility, market share, and convenience.

Table 1: The Study population

1. Akwa-Ibom State:	No of Employees	Port-Harcourt River State:	No of Employees
The Roothub Accelerator Systems – Uyo	70	Solarwave	75
Ravenhill	50	CBT.ng	30
Cartrep	40	Food Crest	50
Moriah Agro Hub	80	SonoCare	20
Knowledge Guide Concept	55	Nigerian Nation	25
2. Bayelsa State:		Delta State:	
Bayelsa Tech Hub	20	Pingxtra.com	52
Kodel Engineering	10	<u>Imperial ICT HUB Asaba</u>	25
Aiteo Eastern Exploration and Production Company Ltd	250	Startup Grind Asaba	20
Century Energy Services Limited Bayelsa	70	ARCO Petrochemical Engineering Company Limited (Arco Group Plc)	400
MEDIPLAN Healthcare Limited	65	Cascade Controls Limited	53
3. Calabar State			
Micura Services Ltd	35		
Zaapmart online food mall	20		
Cyclemasters	45		
<u>RedBulB Tech</u>	30		
Cloudskul	42		
Total	1632		

Source: Human Resource Department, 2024

### Sample Size Determination

A sample refers to a subset of elements or subjects selected from a larger population using a defined procedure. To determine the sample size for this study, the Krejcie and Morgan formula, developed by J.W. Krejcie and D.W. Morgan in 1970, was employed. This formula considers the total population size and the desired level of confidence, enabling researchers to calculate an appropriate sample size for their study.

The formula is as follows:

$$n = \frac{N}{(1 + N * e^2)} \quad 1$$

Where n = required sample size, N = total population size, e = level of precision margin of error

$$n = \frac{1632}{(1 + 1632 * 0.05^2)}$$

$$n = \frac{1632}{(1 + 1632 * 0.0025)}$$

$$n = \frac{1632}{(1 + 4.08)}$$

$$n = \frac{1632}{5.08}$$

$$= 321.26 \text{ or } 322$$

### Sampling technique

The study employed stratified sampling to ensure that every segment of the population was adequately represented for optimal results. In this approach, each SME was treated as a stratum within the population. Bowley's proportion technique formula was used to draw samples from each stratum, and the resulting data are presented below:

$$nh = \frac{nNh}{N} \quad 2$$

Where: nh = The number of units allocated to each stratum, Nh = The number of staff in each category, n = The total sample size, N = The actual or total population.

Table 2: Proportional Allocation

1. Akwa-Ibom State:	No of Employees	Port-Harcourt River State:	No of Employees
The Roothub Accelerator Systems – Uyo	$\frac{70 \times 322}{1632} = 14$	Solarwave	$\frac{75 \times 322}{1632} = 15$
Ravenhillz	$\frac{50 \times 322}{1632} = 10$	CBT.ng	$\frac{30 \times 322}{1632} = 6$
Cartrep	$\frac{40 \times 322}{1632} = 8$	Food Crest	$\frac{50 \times 322}{1632} = 10$
Moriah Agro Hub	$\frac{80 \times 322}{1632} = 16$	SonoCare	$\frac{20 \times 322}{1632} = 4$
Knowledge Guide Concept	$\frac{55 \times 322}{1632} = 11$	Nigerian Nation	$\frac{25 \times 322}{1632} = 5$
2. Bayelsa State:		Delta State:	No of Employees
Bayelsa Tech Hub	$\frac{20 \times 322}{1632} = 4$	Pingxtra.com	$\frac{52 \times 322}{1632} = 10$
Kodel Engineering	$\frac{10 \times 322}{1632} = 2$	Imperial ICT HUB Asaba	$\frac{25 \times 322}{1632} = 5$

Aiteo Eastern Exploration and Production Company Ltd	$\frac{250 \times 322}{1632} = 49$	Startup Grind Asaba	$\frac{20 \times 322}{1632} = 4$
Century Energy Services Limited Bayelsa	$\frac{70 \times 322}{1632} = 14$	ARCO Petrochemical Engineering Company Limited (Arco Group Plc)	$\frac{400 \times 322}{1632} = 78$
MEDIPLAN Healthcare Limited	$\frac{65 \times 322}{1632} = 12$	Cascade Controls Limited	$\frac{53 \times 322}{1632} = 10$
3. Calabar State			
Micura Services Ltd	$\frac{35 \times 322}{1632} = 7$		
Zaapmart online food mall	$\frac{20 \times 322}{1632} = 4$		
Cyclemasters	$\frac{45 \times 322}{1632} = 9$		
RedBulB Tech	$\frac{30 \times 322}{1632} = 6$		
Cloudskul	$\frac{42 \times 322}{1632} = 8$		
Total	322		

### Method of data analysis

Data analysis was conducted using descriptive statistics, including mean, percentages, and standard deviation. Hypothesis testing was performed using regression analysis to evaluate the hypotheses.

### Model specification

The explicit model was specified as follows:

Multiple Regression Model

$$Y = a + b_1X_1 + b_2X_2 \text{ ----- (1)}$$

Where;

Y = Dependent Variable

X<sub>1</sub> = Independent (Explanatory) Variables

a/β<sub>0</sub> = Intercept (constant term)

β<sub>1</sub> = Slope coefficients for each explanatory variable

e = Error Term (Residuals)

The implicit models were specified as follows;

Table 3: Distribution of respondent by Age

AGE	Frequency	Percentage (%)
Below 20 years	16	5.37
21-30 years	33	11.07
31-40 years	102	34.23
41-50 years	62	28.52
Above 50 years		20.81

Total	298	100
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**Source:** Field survey, 2023

Table 3 presents the qualifications of the respondents. It shows that 5.37% are under 20 years old, 11.07% are between 21 and 30 years, 34.23% fall within the 31 to 40-year range, 28.52% are between 41 and 50 years, and 20.81% are over 50 years old. This distribution indicates that the respondents possess a range of experiences relevant to the variables examined in this study.

Table 4: Distribution of respondent by educational qualifications

Educational Qualifications	Frequency	Percentage (%)
NCE/ND	78	26.18
B.Sc./B.A/HND	98	32.89
M.Sc./MBA	100	33.56
Ph.D.	22	7.38
Total	298	100

**Source:** Field survey, 2023

Table 4 details the current positions of the respondents. Among them, 78 hold NCE/ND qualifications, representing 26.18% of the total; 98 have B.Sc./B.A/HND degrees, accounting for 32.89%; 100 possess M.Sc./MBA degrees, making up 33.56%; and 22 hold Ph.D. degrees, comprising 7.38% of the total respondents.

Table 5: Distribution of respondent by employee status

Employment Status	Frequency	Percentage (%)
Management Staff	36	12.08
Non-management Staff of the parastatals	262	87.92
Total	298	100

**Source:** Field Survey, 2023

Table 5 indicates that there are 36 management staff members, constituting 12.08% of the total respondents, while 262 are non-management staff, representing 87.92%. This distribution shows that the majority of respondents are non-management staff.

Table 6: How does collectivism culture affect entrepreneurial survival of selected SMEs in South-South Nigeria? (N = 298)

S/N	QUESTIONS	SA 5	A 4	UD 3	D 2	SD 1	Total	Mean	Remark
6	Facilitates how individuals define themselves in relation to “we” mentality	151	99	19	19	10	1256	4.21	Accepted
7	Improves communication often on more indirect style to avoid potential conflict or embarrassment	153	102	18	13	12	1265	4.24	Accepted
8	Inspires group loyalty and group-based decision in firm	157	102	12	20	7	1276	4.28	Accepted
9	Smoothens compromise and favouritism when a decision needs to	165	87	14	27	5	1274	4.27	Accepted

	be made to achieve greater levels of peace								
10	Expedites how firm lay greater emphasis on common goals than on individual pursuit	163	94	13	25	3	1283	4.31	Accepted
	Clustered mean for decision rule:-							4.26	Accepted

**Source: Field survey, 2024**

Table 6 revealed that eighteen questions were included in the questionnaire to determine the impact of collectivism culture on the entrepreneurial survival of selected SMEs. All items in the table were accepted based on a decision criterion mean of 3.0 and above. The mean responses for items 6 to 10 exceeded the criterion mean of 3.0. The clustered mean was 4.26, indicating acceptance and supporting the conclusion that collectivism culture significantly affects the entrepreneurial survival of selected SMEs in South-South Nigeria.

**Hypothesis testing**

**H0. Collectivism culture has no significant effect on Entrepreneurial survival of selected SMEs in South-South Nigeria.**

$H_0 = B_1 = 0$ . Test the hypothesis that all slope coefficients are equal to zero.

$H_1 \neq B_1 \neq 0$ . Test the hypothesis that not all slope coefficients are equal to zero.

Table 7 Regression results determining the effect of collectivism culture on Entrepreneurial survival of selected SMEs in South-South Nigeria.

Coefficients <sup>a</sup>									
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		
		B	Std. Error	Beta			Lower Bound	Upper Bound	
1	(Constant)	.392	.069		5.675	.000	.256	.527	
	Collectivism culture	.907	.016	.958	57.384	.000	.876	.938	
R		= 0.958							
R-Square		= 0.918							
Adjusted R-Square		= 0.917							
Std. Error of the Estimate		= 0.29602							
Durbin-Watson		= 0.281							
F-Statistics		= 3239.874							
T-Statistic (df <sub>1</sub> = 1 & df <sub>2</sub> = 296)		= 5.675							

a. Dependent Variable: Entrepreneurial survival of selected SMEs in South-South Nigeria

b. Predictors: (Constant), Collectivism culture

**Source:** Researcher's Estimation 2023 SPSS version 25.0 Significance @ 95 confidence level

In Table 7, the regression results indicate that the estimated coefficients of the regression parameters are positive, aligning with our a priori expectations. The R-square value is 0.918,

meaning that 91.8% of the sample variation in the dependent variable is explained by the explanatory variable, while the remaining 8.2% is unexplained and could be due to other factors not included in the model. The high R-square value signifies a strong positive relationship between collectivism culture and the entrepreneurial survival of selected SMEs in South-South Nigeria. An increase in the independent variables will thus enhance the credibility of the dependent variable. The regression equation ( $Y = 0.392 + 0.907CC + e$ ) demonstrates that the entrepreneurial survival of selected SMEs in South-South Nigeria will always rely on a positive constant factor of 0.392, irrespective of other determinants. Each unit increase in collectivism culture will increase the entrepreneurial survival of these SMEs by a factor of 0.907.

The R<sup>2</sup> value of 0.917 implies that 91.7% of the variations in entrepreneurial survival are explained by collectivism culture, with the remaining 8.3% accounted for by other variables, indicating that the model is a good predictor. The standard error of the estimate is 0.29602, and the Durbin-Watson statistic is 0.281, showing the absence of multicollinearity among the variables in the model. The F-statistic of 3292.874, which exceeds the rule of thumb value of 2.5, measures the goodness of fit of the model. The calculated t-statistic is 5.675 at (df1 = 1 and df2 = 296).

### **Conclusion and Recommendations**

Following statistical analysis, the study concluded that there is strong relationship between Collectivism culture and entrepreneurial development of selected SMEs in South-South Nigeria. This analysis was carried out by developing a model based on existing theories in literature. Survey questionnaire was distributed among SME employees in South-South Nigeria. The results of the investigation revealed that Collectivism culture has significant effect on Entrepreneurial growth of selected SMEs in South-South Nigeria. However, in the edge and current period of entrepreneurial development, it is important that business owners do proper culture assessment to enable them strike a balance in terms business environment innovativeness and employees' recruitment which will earn them better performance status. This practice will instill cost-effectiveness of the initiative and SMEs growth and sustainability. This study therefore recommended that SMEs should continuously embrace the entrepreneurial collectivism value in order to promote entrepreneurial survival and interdependence as this has important implications for promoting green as well harmonious development and foster expansion and growth.

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