

Structuring Organizational Culture to Complement Poland's National Culture – An Approach for Achieving High Impact Entrepreneurship

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National culture plays a strong role in enabling entrepreneurial organizations to be successful. Among other things, it can foster innovation, risk-taking, and flexibility in response to environmental uncertainty. With a supportive organizational culture, firms can achieve even greater successes in overall performance. This paper analyzes Poland's score and ranking on the Global Entrepreneurship and Development Index to determine how culture can help or hinder the country's ability to develop high impact entrepreneurship. National culture is analyzed using Hofstede's Six-Dimensional Model. Implications for developing an organizational culture, which fosters high-impact entrepreneurship and simultaneously complements Poland's values and traditions, are proposed.

INTRODUCTION

This paper explores the relationship between the national cultural orientation of Poland, organizational culture, and high impact entrepreneurship. Toward that end, three objectives are pursued. The first is to present Poland's scores on Hofstede's six dimensions of national culture. The second is to discuss Poland's position and that of the top 10 ranking countries on the Global Entrepreneurship and Development Index (GEDI). The third is to provide a set of recommendations for the creation of an organizational culture that fosters high impact entrepreneurship, given the composition of Poland's national culture.

High impact entrepreneurship is important because it helps improve a country's economy and people's lives. It does so by creating jobs, developing technology that improves efficiency, creating innovative solutions to problems, and exchanging ideas globally. Many of the conditions that entrepreneurs help also assist the overall economy and provide broader societal gains (Acs, Szerb, Lloyd,

2018). In the context of this paper, entrepreneurship is driven not by necessity, but by opportunity. A definition formulated by Howard Stevenson of the Harvard University Business School is that “entrepreneurship is the pursuit of opportunity beyond resources controlled” (Eisenmann, 2013). Entrepreneurs are people who envision scalable, high-impact businesses. They make visions become realities as they pursue a novel opportunity. They do so in the absence of access to required resources and while facing considerable risk. Shane and Venkatraman (2000) view entrepreneurship as the nexus of two phenomena: lucrative opportunities and enterprising individuals. They write that it is the “scholarly examination of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited (p. 218). Timmons (1999) views entrepreneurship by focusing on the individuals engaged in the process. Entrepreneurs are those who search for opportunities, and upon finding them, shape them into high-potential ventures by drawing up a team and gathering the required resources to start a business that capitalizes on those opportunities. Clearly, there are variations in the definitions of entrepreneurship, but there is a common thread. Most definitions indicate that entrepreneurs are people with the vision to see an innovation and the ability to bring that innovation to market (Acs, Szerb, Lloyd, 2018).

When business leaders and academics are asked to discuss entrepreneurship, they frequently allude to the creation and growth of new ventures and innovation. This is contrasted with small businesses, which are not viewed as entrepreneurship. As such, this paper distinguishes between small business owners who duplicate what others are doing and an entrepreneur who innovates. High impact entrepreneurship is fundamentally related to innovation and an ambition to grow a business. It encompasses a subset of firms that grow rapidly (Henrekson and Sanandaji, 2014). The World Economic Forum defines high-impact entrepreneurs as people who launch and grow companies that have above average impacts on wealth and job creation. Their companies have societal impacts in their communities that improve standards of living. High impact entrepreneurs stand out in many respects – their companies create more jobs, grow faster, contribute more to society, and transform industries to an extent greater than their peers (Lontoh, 2017). Their success depends on an institutional and cultural environment filled with the necessary capital and new opportunities created by knowledge spillovers (Stenholm, Acs, and Wuebker, 2013).

Entrepreneurial activities are irretrievably embedded in cultural norms and values (Granovetter, 1983). The link between a nation’s cultural values and entrepreneurship is important for understanding how entrepreneurs think and act. It is also important because culture can both magnify and mitigate the impact of institutional and economic conditions on entrepreneurial activity (Hayton and Cacciotti, 2013). National culture has been found to explain the variance in entrepreneurial innovation-growth relationships (Rauch, Frese, Wang, Unger, Lozada, and Kupcha, 2013). Differences in entrepreneurial activity among countries and even regions within those countries are persistent. They cannot be explained by economic or institutional variables. Research has shown that a substantial part of those differences can be attributed to culture (Krueger, Linan, and Nabi, 2013). Overall, these studies demonstrate that culture plays a significant role in fostering innovation and entrepreneurial activity.

While cultural values are invisible, they strongly affect all who seek to innovate, market ideas, engage in entrepreneurship, and manage a company. They are rooted in and “are a part of our daily life” (Martin and Lopes, 2016, p. 579). Geert Hofstede (1991) studied the cultural values of nearly 200 countries. He suggests that behavior is produced by adopted cultural values and that behavior at work is a continuation of behavior learned earlier. According to Hofstede’s work, Poland’s national culture can be described as one where its people value high power distance, collective rather than individualist behavior, masculine virtues, a high degree of certainty in daily living, a short term orientation to time, and restraint over impulses and desires. This cultural orientation raises the question as to whether high-impact entrepreneurship can flourish in Poland. The country’s ranking of 30 and score of 50% on the GEDI suggest that it may be possible provided that firms develop an organizational culture that supports the effort. The argument being advanced is that Poland’s cultural orientation may be inhibiting high impact entrepreneurship as evidenced by the country’s 2018 GEDI score. It is believed that selecting the appropriate staff and developing a supportive organizational culture can result in innovation and high impact outcomes.

CHANGING ORGANIZATIONAL CULTURE TO COMPLEMENT NATIONAL CULTURE

The challenge confronting entrepreneurs in Poland is to determine how to develop an organizational culture that fosters innovation and an entrepreneurial spirit while overcoming what seems to be a contradiction with national culture. Hofstede (2012) indicates that cultural values are acquired in childhood and passed on from generation to generation. They are invisible and can only be inferred. They change over time because of external influences, based on their own logic; they are unchangeable by anyone. International managers are urged to view them as material with which they have to work. Organizational culture, by contrast, is visible, through symbols, heroes, and rituals. It consists of practices. Culture at this level can be changed and effectively managed. International and multinational companies always have employees with different national values. They function through a shared corporate or organizational culture based on common practices. Establishing, monitoring and adapting organizational practices are core tasks for international managers. According to Hofstede (2012), proper practices are what keep multinationals together.

Structuring an organizational culture to complement national values does not mean that those constructs are directionally parallel. In this paper, to “complement” means aligning or integrating two levels of culture – national and organizational – that may be running in different directions.

An organizational culture that fosters high impact entrepreneurship and complements Poland’s national culture requires human resource (HR) practices, work structures, and business processes that enhance a firm’s levels of creativity, innovation, and entrepreneurial behavior. HR practices that facilitate these ends include rigorous and selective staffing, extensive training and development, flexible job assignments, merit-based performance appraisal, and competitive overall compensation (Takeuchi, Lepak, Wang, and Takeuchi, 2007).

To foster entrepreneurship, the key is to strategically encourage innovative behavior by hiring the right people from the labor market. Entrepreneurs need to hire individuals with the appropriate knowledge, skills, and abilities to do their jobs. Those individuals have no personal culture, but do have personalities. Their personalities are partly influenced by the culture in which they grew up, but with a large range of personal variance due to many other factors (Hofstede, 2012). So despite its national culture, Poland has the individuals who possess the knowledge, skills, and personalities needed for high impact entrepreneurship; and hiring them does not contradict Poland’s national culture. What needs to be remembered is that the concept of “culture” does not apply at the level of individuals. Hofstede writes that “individuals have personalities, which are only partly influenced by the culture in which they grew up” (Hofstede, 2012, p. 402). Beyond hiring the right people, entrepreneurs can foster innovative behavior by providing incentives and creating an organizational culture that values that behavior (Hayton, Hornsby, and Bloodgood, 2013-2014).

AIM OF THE PAPER

This paper discusses national and organizational culture and suggests how they can be successfully managed to develop high impact entrepreneurship in Poland using the experience of the USA as an example. The reason that the USA is chosen as a country against which Poland’s entrepreneurship experience will be discussed is that it is ranked #1 on the GEDI. As a nation it has a high rate of new business start-ups and it breeds a constant flow of high impact entrepreneurial firms – the kinds that create value and stimulate growth by bringing new ideas to market. The USA has evolved a multi-dimensional system for culturally and economically nurturing high-impact entrepreneurship. It is a system that, with the right human resource and development policies, might be cultivated in many other countries as well (Schramm, 2004).

Organizationally, this paper is divided into three sections. The first describes national culture as viewed through the lens of Hofstede’s Six-Dimension (6-D) Model. That section analyzes the culture of Poland using the scores from the model along with comparison scores for the USA. The second section describes the GEDI and details Poland’s rank and score along with those of the USA and the top ten

global entrepreneurship countries for comparison. The third section describes organizational culture and presents a set of recommendations for the development of high impact entrepreneurship in Poland.

SIX-DIMENSIONAL MODEL OF NATIONAL CULTURE IN POLAND

National Culture

Culture can be defined as the shared beliefs, values, identities, motives, and interpretations that result from common experiences of the majority members of a society, which are transmitted across generations (House, Hanges, Javidan, Dorfman, and Gupta, 2004). It can be described as a pattern or way of doing something that results from societal traditions and as the collective programming of the mind that distinguishes one society from another (Kroeber and Kluckhohn, 1952; Hofstede, 1991). The societal traditions, shared values, and collective programming that form culture influences how peoples' personalities develop and how they express their traits.

Though culture scholars do not agree on the precise meaning of culture, there is general agreement that culture works at different levels, the most fundamental being the national level (Nazarian, Atkinson, and Foroudi, 2017). Hofstede, Hofstede, and Minkov (2010) believe national culture is at the heart of the primary socialization process in early childhood. It gives people their beliefs and values.

National Culture from the Perspective of Geert Hofstede

The most well-known taxonomy of national culture was developed by Geert Hofstede. He conducted a landmark study in the 1960's and early 1970's in which he analyzed data from 88,000 employees at IBM who worked in 72 countries and spoke 20 languages (Hofstede, 2001; Kirkman, Lowe, and Gibson, 2006). He found that employees who worked in different countries tended to prioritize different values, which clustered into several distinct dimensions. Hofstede wrote that management theories were not universal. Rather, they were culture bound. He suggests that effective managerial behavior should be predicated on a firm understanding of cultural values (Hofstede, 1980a; Hofstede, 1980b; Hofstede, 1983; Hofstede, 1993, Hofstede, 1994, Hofstede, 1997; Hofstede, 2001). Hofstede's studies have been widely cited in the literature of various academic disciplines (Kirkman, Lowe, and Gibson, 2006) and in business, his model is the most commonly used one for understanding a nation's cultural values. His findings are often used to better understand entrepreneurship, management, and organizational behavior from a cross-cultural perspective.

Hofstede's Six Cultural Dimensions

Hofstede initially identified four dimensions of culture: power distance, individualism, masculinity, and uncertainty avoidance. Power distance is a measure of the degree to which societal members expect power to be shared. When a culture is high in power distance, people expect those with power to be treated differently than those without power. Differentiating people on the basis of status is prominent and acceptable. When a culture is low in power distance, differentiating people on the basis of status is not expected, nor desirable. Individualism is a measure of the extent to which people look after their personal interests. This is contrasted with collectivism, which refers to the extent to which people more closely identify with a group. In collectivist cultures people expect that members of the group will protect them. Masculinity is a measure of the degree to which people value competition, assertiveness, achievement, and acquisition of success or material goods. In contrast, femininity is associated with the degree to which people value nurturing, relationships, and a concern for others. Uncertainty avoidance has to do with the way that society deals with a future that is unknown: should we try to control the future or just let it happen? It is essentially a measure of a culture's collective tolerance for ambiguity. In cultures with high uncertainty avoidance, people develop clear rules and regulations to help reduce the uncertainty of the future. They are more comfortable in having an assurance of what is likely to happen in the future. In low uncertainty cultures, ambiguity and change are not considered a threat.

In later research studies (Hofstede and Bond, 1988), a fifth cultural dimension was added. It is called long-term orientation and refers to the extent to which members of a society encourage and reward future-

oriented behavior, i.e., activities such as planning, investing in the future or delaying gratification. Long term orientation refers to culture’s preference for perseverance, tradition, thrift, and a long run view of time (Robbins and Coulter, 2012). The original term, Confucian Dynamism, evolved from a view that “Asian values” were unique to a specific part of the world, a view that was later found to be false. Those values can be found in other parts of the world.

Further research on national culture uncovered a sixth dimension called indulgence/restraint (Minkov, 2013; Minkov and Hofstede, 2011). It is one that measures the degree to which a society permits or suppresses the expression of human desires. Indulgence/restraint refers to the extent to which people try to control their impulses and desires, based on the way they were socialized – the way they were raised. With indulgent cultures, people have very weak control, whereas with restrained cultures, people have relatively strong control over their desires.

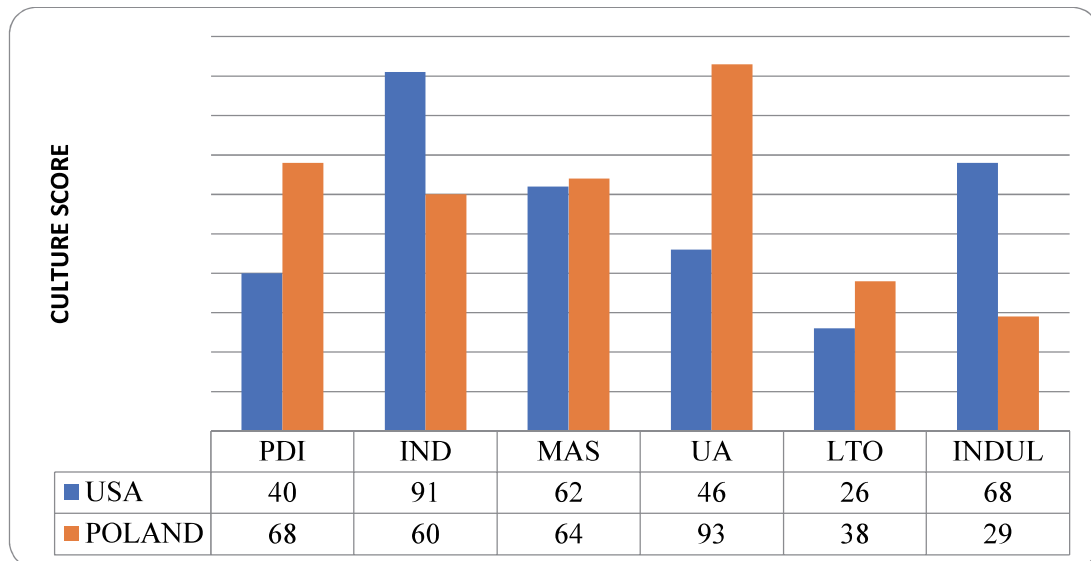
Poland’s National Culture Using the 6-D Model

Based on the research conducted by Hofstede (detailed at www.hofstede-insights.com), Poland can be described using the lens of the 6-D Model. This provides an overview of the deep drivers of Polish culture as it relates to other world cultures. The results show that Polish culture is high on power distance and masculinity, moderate on individualism, very high on uncertainty avoidance, very low on indulgence, and short-term relative to its time orientation.

Power Distance (PDI)

Poland’s PDI score of 68 indicates that it is a country whose people value a hierarchical society. People accept a hierarchical order where everybody has a certain place – without justification. In Poland, centralization is popular, organizations are seen as having inherent inequalities, and subordinates expect their supervisors and managers to tell them what to do. An ideal workplace superior can be described as a benevolent autocrat. Poland’s relatively high PDI score may inhibit the development of high impact entrepreneurship because the culture does not encourage worker involvement, which is important to fostering creativity and innovation. The PDI and other five cultural dimension scores for Poland and the USA are shown in Figure 1.

FIGURE 1
SIX CULTURAL DIMENSION SCORES FOR POLAND AND THE USA



In the United States, where the PDI score is 40, there is a more equal distribution of power compared to Poland. The USA is a nation where people question authority and where individuals expect to participate in decisions that affect them. Leaders and managers are viewed as equals. In American culture, leaders must earn the respect of their followers; it is not gained as an entitlement by right of their office. One of the most salient aspects of power distance is the extent to which people can exert power over other individuals. Power is the degree to which a person is able to influence other people's behavior and ideas. In the USA, power relationships need to be participatory, democratic, and consultative. America's rather low PDI score indicates that its culture has a strong belief in equality for its people.

Individualism (IND)

With a score of 60, Poland is a moderately individualist society. This indicates that Poles value a loosely-knit social framework where individuals are expected to take care of themselves and only their immediate families. In individualist societies, the relationship between employers and employees can be likened to a contract predicated on mutual advantage. Hiring and promotions are typically based on merit only and managing is best considered to be the management of individuals.

Polish culture involves a conceptual contradiction. Although it is individualistic, Poles need a hierarchy. With a high score of 68 on power distance and a score of 60 on individualism, there is a tension in this culture. This inhibits high-impact entrepreneurship. As such, entrepreneurs and managers must know how to manage this delicate, but intense, relationship. A successful strategy might be to incorporate a second informal level of communication to increase employees' perceptions of importance to the organization.

Poland's IND score is in sharp contrast to the USA's score of 91. The United States has one of the most individualist cultures in the world. The society is loosely-knit and the expectation is that people take care of themselves and those closest to them. People do not rely much on authorities for support. Coupled with a lower power distance, Americans view hierarchy as a matter of convenience, and managers rely on individual employees or teams for their expertise. Both employees and managers expect to be consulted on relevant decisions and believe that information should be shared and communicated frequently. In business, communication is direct, informal, and somewhat participative. When at work, Americans interact with people they do not know well and as such, they are comfortable approaching their counterparts in order to obtain the information they need. Employees are groomed to show initiative and self-reliance. In the workplace, hiring and promotions are based on merit or what one has done or has the potential to do.

Masculinity (MAS)

Poland's MAS score of 64 indicates that it is a masculine society. In countries that value masculine ideals, success is defined by the winner or the best in one's field. The society is driven by competition and achievement. This is a value system that can be traced to enculturation in schools and it continues throughout organizational life. In masculine cultures, people "live in order to work" (www.hofstede-insights.com). In the workplace, managers are expected to be assertive and decisive. They emphasize equity, performance, and competition. Conflicts are resolved not by avoidance, but rather, by openly confronting the issues.

With a score of 62 on the MAS dimension, the USA can be seen as a country that values masculine ideals. Americans show their masculine drive individually, given that the USA is one of the most individualistic cultures in the world. Behaviors while in school, at work or play are based on the value that people should be the best they can be. It is also one that espouses a winner take all mentality. As such, Americans display and talk freely about their achievements and successes. Being successful is not as important as showing one's success. American employees have a "can-do" attitude, which serves to create dynamism in society. It is believed that there is always a better way in which to do things. Americans live in order to work so that they can receive monetary rewards and attain a higher societal status. It is believed that some conflict will bring out the best in people as it is one's life goal to be "the winner." Given this situation, there is much polarization and America has become a litigious society. This

attitude and behavior undermines the American ideal of liberty and justice for all. It is thought that rising inequality is threatening democracy because an enlarging gap in economic classes is pushing power distance up and individualism down (www.hofstede-insights.com).

Uncertainty Avoidance (UAI)

Poland scores 93 on the UAI dimension, which means that its people value the avoidance of uncertainty. This high score suggests that the country maintains rigid codes of belief and behavior. Generally, the culture is intolerant of unorthodox ideas and behavior. People from cultures with high uncertainty avoidance have an emotional need for rules, even if they don't seem to work. They value time because it is thought to be money and they have an intrinsic urge to work hard and keep busy. Precision and punctuality are considered normal. Innovation may be resisted, which could inhibit high impact entrepreneurship.

With a score of 46, the USA scores low on uncertainty avoidance. Americans have a fair degree of acceptance for innovative products and ideas. They are willing to try new things that are different, regardless of whether it is technology, business practice, or food. Americans tend to have greater tolerance for ideas or opinions from anyone and generally allow their free expression. As a group they do not require a great deal of rules to deal with uncertainty. However, the events of 9/11 have instilled fear in American society resulting in governmental efforts to monitor people through the National Security Agency (NSA) and other security agencies. The USA's low UAI score, which entails a cultural tendency to minimize rules, allows high impact entrepreneurship to flourish.

Long-Term Orientation (LTO)

Poland's low score of 38 on this dimension of national culture indicates that its people are more normative than pragmatic. They have a strong concern for discerning the absolute truth. As a society, Poles prefer to maintain time-honored norms and traditions. They tend to view societal change with suspicion. They are normative in their thinking. They greatly respect traditions, have a relatively small propensity to save for the future, and focus on achieving quick results. Unlike Poland, cultures with a high LTO score are typically pragmatic. Their people are thrifty and they view modern education as a means to better deal with the uncertainties of the future.

The USA's score of 26 is considered low, which makes Americans even more short-term oriented than Poles. They tend to analyze new information to verify that it is truthful. American culture cannot be described as pragmatic – it is normative. However, this is different from being practical; Americans have a “can-do” mentality. They also have strong opinions on what is good and evil. Businesses in the USA measure their financial and organizational performance on a short-term basis. Profit and loss statements, for example, are issued quarterly and individuals in the workplace strive for quick results, not necessarily of the highest quality.

Indulgence (INDUL)

With a score of 29, Poland is low on the indulgence dimension. Its culture is one of restraint. Societies with a low score on INDUL tend to be cynical and pessimistic. They do not emphasize leisure time. People in restrained cultures tend to control the gratification of their desires. They have the perception that social norms control and restrain them. They believe that “indulging themselves is somewhat wrong” (www.hofstede-insights.com/country-comparison/poland, p. 5). While restraint may have its place, it could be that it stifles the indulgent thought necessary for high impact entrepreneurship to thrive.

In stark contrast to Poland, the INDUL score for the USA is high at 68. This means that people in the USA tend to have relatively weak control over their impulses. As a culture, Americans are indulgent. They value working hard as well as playing hard. This manifests itself in some apparent contradictions. The USA has waged a war against drugs and is quite busy fighting that war. But drug addiction in America is higher than in many other wealthy countries. The USA tends to be a prudish society – one

excessively concerned with sexual propriety – yet some well-known televangelists have been exposed because of their immoral behaviors.

Does indulgence as a cultural dimension help or hinder entrepreneurship? Of the top ten GEDI ranked nations, the mean INDUL score is 67 (Median = 68, Range = 48-71). Based on these data, which include the USA, indulgent cultures seem to be associated with more developed, higher-impact entrepreneurship.

POLAND’S GLOBAL ENTREPRENEURSHIP AND DEVELOPMENT INDEX SCORE

In an effort to assess high impact entrepreneurial success, Professors Acs and Szerb created the GEDI. The most recent edition of the Index was published for 2018 (Acs, Szerb, and Lloyd, 2017). It represents a composite indicator of the health of the entrepreneurship ecosystem in a particular country. The GEDI measures the quality of entrepreneurship as well as the depth and extent of the entrepreneurial ecosystem that supports it.

The basic purpose of the GEDI is to measure a country’s success in producing high quality and high impact entrepreneurial enterprises. The Index goes beyond measuring the self-employment rate or the start-ups in a country. Rather it measures the potential impact of the entrepreneurship that is occurring in countries. It does this by examining three aspects of high-quality entrepreneurship: attitudes, activity, and aspiration. *Attitudes* measure things that relate to the national perception of the value of entrepreneurship to the economic success of a country. The *activity* dimension measures the level of start-ups in a country’s technology sector. *Aspiration* measures the activities of entrepreneurs in a country to introduce new products into the market and expand their enterprises. The GEDI includes a score and a rank for most countries on these combined dimensions to show what is believed to be true entrepreneurial success (Rarick and Han, 2015).

Table 1 summarizes the GEDI score and rank data for Poland and the USA. The data indicate that of the 137 nations included in the 2018 GEDI, Poland ranks #30, which is an improvement over its rank of 31 in 2017. Its GEDI score is 50.4%, which is 3.8 percentage points higher than it was in 2017. The USA ranks #1 on the Index with a GEDI score of 84%, which is 0.6 percentage points higher than in 2017.

**TABLE 1
GEDI RANKS AND SCORES FOR POLAND AND THE USA**

| Countries | GEDI rank | GEDI rank | GEDI score | GEDI score |
|------------------------|-----------|-----------|------------|------------|
| | 2018 | 2017 | 2018 | 2017 |
| Poland | 30 | 31 | 50.4% | 46.6% |
| USA | 1 | 1 | 84.0% | 83.4% |
| Europe - region | | | 49.1% | 46.9% |
| North America - region | | | 63.0% | 61.5% |

Over the last year, GEDI scores have improved globally by an approximate average of 3%. Between 2017 and 2018, this “3% improvement could add \$7 trillion to the global GDP because institutions that support entrepreneurs also positively impact the economy as a whole” (Acs, Szerb, and Lloyd, 2017, p. 6). Several regions of the world surpass the average improvement in GEDI score over the last year. They include the South and Central American region at 4.6%, the Asia-Pacific region at 4.0%, and the European region at 3.4%. A strategy that the European region could implement to realize the quickest gains might be network improvement (Acs, Szerb, and Lloyd, 2017, p. 6). The key to accomplishing this would be to support the geographic, social and cultural networks that connect entrepreneurs. Poland could

use this strategy along with alignment of its organizational culture to enhance its future GEDI score and rank.

Table 2 provides a summary of the GEDI and six cultural dimension scores for the top ten entrepreneurially-oriented countries in the world. The data for Poland are also included for comparison.

TABLE 2
TOP TEN GEDI COUNTRIES AND CULTURAL DIMENSION SCORES

| Country | GEDI Rank | GEDI Score | PDI | IND | MAS | UAI | LTO | INDUL |
|----------------|-----------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|
| United States | 1 | 83.6 | 40 | 91 | 62 | 46 | 26 | 68 |
| Switzerland | 2 | 80.4 | 34 | 68 | 70 | 58 | 74 | 66 |
| Canada | 3 | 79.2 | 39 | 80 | 52 | 48 | 36 | 68 |
| United Kingdom | 4 | 77.8 | 35 | 89 | 66 | 35 | 51 | 69 |
| Australia | 5 | 75.5 | 36 | 90 | 61 | 51 | 21 | 71 |
| Denmark | 6 | 74.3 | 18 | 74 | 16 | 23 | 35 | 70 |
| Iceland | 7 | 74.2 | 30 | 60 | 10 | 50 | 28 | 67 |
| Ireland | 8 | 73.7 | 20 | 70 | 68 | 35 | 24 | 65 |
| Sweden | 9 | 73.1 | 31 | 71 | 5 | 29 | 53 | 78 |
| France | 10 | 68.5 | 68 | 71 | 43 | 86 | 63 | 48 |
| Poland | 30 | 50.4 | 68 | 60 | 64 | 93 | 38 | 29 |

Entrepreneurship can be explained by a host of factors, one of which is culture (Cacciotti and Hayton, 2017). In a study that analyzed the relationship between national culture and entrepreneurial mindset, it was found that individualism is a strong predictor of entrepreneurial activity in top ranking GEDI countries. Uncertainty avoidance was also found to be a strong, and power distance a moderate, predictor of entrepreneurial success in top ranking GEDI countries (Rarick and Han, 2015).

The data summarized in Table 2 indicate that high impact entrepreneurial nations are those with cultures that value low power distance (PDI). This is true except for France whose PDI score is 68, exactly the same as the score for Poland. In low power distance cultures status and power differentials are neither expected nor desirable. High impact entrepreneurship countries also have individualistic (IND) cultures whose people care most about themselves and those closest to them. They value people’s rights and responsibilities and expect societal members to care for themselves. Poland is slightly more collectivistic with a score of 60, compared to the top ranked GEDI countries, whose scores range from 70 to 91. The exception to this is Iceland, whose score is 60 – the same as Poland’s. These data are consistent with the findings that culture may “play an important part in the entrepreneurial success of a country” (Rarick and Han, 2015, p. 124). According to Rarick and Han (2015), countries low in power distance and high in individualism appear to have an edge in fostering high impact entrepreneurship. Nations with those cultural dimensions have individuals who take responsibility for themselves and systems that allow social mobility and the sharing of power and resources.

The data in Table 2 also show that low to moderate uncertainty avoidance (UAI) is a characteristic of high impact entrepreneurship prevalent among the top ten ranked GEDI countries. The exception to this generalization is France, whose UAI score is 86, not unlike Poland’s score of 93. Low uncertainty cultures view change and ambiguity as opportunities, rather than threats. Rules and regulations to manage the uncertainty of change are unnecessary and this offers entrepreneurs an environment conducive to business and innovation. Finally, high impact entrepreneurship appears to be associated with indulgent cultures. Except for France, whose INDUL score is 48, most top ranking GEDI countries have cultures that value expressing, rather than restraining, their impulses and desires. Poland seems even more restrained with an INDUL score of 29.

These data suggest that some of Poland's cultural dimension scores run counter to the direction of scores for the top 10 countries on the GEDI listing. Notwithstanding this situation, Poland has opportunities to grow its high impact entrepreneurship. Of importance is the fact that it is a populous member of the European Union. Relative to the EU's GEDI scores, the United Kingdom and France are among the top 10 ranking countries, 4th and 10th, respectively. Poland ranks in 30th, with Germany being in 15th, Spain in 34th, and Italy in 42nd place. While the UK, France, and Germany are well-developed and balanced over the three GEDI dimensions – attitudes, activity, and aspiration – Poland, Spain, and Italy show less entrepreneurial efficiency. It is speculated that the somewhat weak economic performance of the EU countries over the last ten years is their low level of entrepreneurship. Europe is struggling to address the problem of not having its own cadre of billion-dollar companies (Acs, Szerb, Lloyd, 2017). An understanding of culture may be the answer. The remainder of this paper will focus on how organizational culture can be managed to complement Poland's national culture so as to improve entrepreneurship.

DEVELOPING AN ORGANIZATIONAL CULTURE FOR HIGH IMPACT ENTREPRENEURSHIP IN POLAND

It is not unreasonable to suggest that there are about as many definitions of organizational culture as there are people who study it. There are at least fifty different definitions (Verbeke, Volgering, and Hessels, 1998). The various definitions of organizational culture relate strongly to the structural paradigm of the people who have studied it. In this paper organizational culture is defined as the “shared social knowledge within an organization regarding the rules, norms, and values that shape the attitudes and behaviors of its employees” (O'Reilly, Chatman, and Caldwell, 1991, cited in Colquitt, Lepine, and Wesson, 2013, p. 518).

This definition implies, first, that culture is social knowledge held by organizational members. Workers learn about aspects of their company's culture through other workers. This transfer of knowledge could be through networking, simple observation, or explicit communication. The knowledge transferred is shared, which means that workers understand and have some degree of agreement on what the culture is. Second, this definition tells workers what the norms, values, and rules are within the workplace. Examples might be describing (1) what behaviors are appropriate or inappropriate and (2) how a person should act or dress at work. Some organizational cultures may even dictate how workers should act when they are not at work. Third, organizational culture shapes and reinforces certain attitudes and behaviors by exerting a system of control over workers (O'Reilly and Chatman, 1996). Individual goals and values tend to grow over time to match those of the organization for which one works, perhaps related to the amount of time workers spend at their jobs.

Changing Organizational Culture to Improve Entrepreneurship

A number of researchers have established the relationship between organizational culture and performance (Rousseau, 1990; Kotter and Heskett, 1992; Marcoulides and Heck, 1993; Ogbonna and Harris, 2000; Ehtesham, Muhammad, and Muhammad, 2011; and Ahmad, 2012). Still other researchers have found a relationship between organizational culture and entrepreneurship (Cherchem, 2017; Abdullah, Musa, and Azis, 2017; Engelen, Flatten, Thalmann, and Brettel, 2014) as well as profitability (Martins and Lopes, 2016). Hofstede (1991) states that workplace behavior is a continuation of behavior learned earlier in life. Thus, cultural values strongly affect all who are involved in organizations. While those values are somewhat invisible, they are likely important considerations in any attempt to improve entrepreneurial performance and profitability.

The importance of organizational culture to the development of entrepreneurship is best understood from the stories of failed international mergers. Research indicates that as few as 30% of international mergers and acquisitions create shareholder value (Brahya, 2006). The vast majority of them fail to bring value. One of the greatest reasons for the failure to produce shareholder value is that corporations are blind to see the impact that national and organizational culture differences have on their ability to be

successful. If entrepreneurs do not establish a strategy to manage the influences of national and organizational culture in their enterprises, they will likely follow in the footsteps of failed international mergers. By understanding a country's cultural dimensions and its own corporate culture, entrepreneurs can make more effective and successful business decisions. Research has shown that considering national culture in the process of staffing results in more beneficial person-organization matches compared to staffing without a consideration of culture (Kristof-Brown, Zimmerman, and Johnson, 2005). It has also shown that properly managing national culture vis-à-vis one's organizational culture has been positively related to firm success (Li, Lam, Qian, 2001) and profitability in European companies (Martins and Lopes, 2016). Indeed, companies with higher profitability come from cultures having lower power distance, lower uncertainty avoidance, and higher indulgence.

If employees find themselves working for an organization with a culture that is incompatible with their own values, there is a problem called "fit." This problem can affect any employee in any business. For an entrepreneurial venture to be successful there must be an appropriate person-organization fit, which is defined as the degree to which an individual's values and personality match an organization's culture. When employees sense there is a good fit, they are more likely to help their coworkers and "go the extra mile" for the benefit of the company. For the success of entrepreneurial ventures, this means that extra care must be taken to attract, hire, and retain individuals that have a good person-organizational fit.

RECOMMENDATIONS FOR ORGANIZATIONAL CULTURE

Several of Poland's cultural dimensions appear to be inhibiting the development of high impact entrepreneurship. The country's scores on power distance, individualism, uncertainty avoidance, and indulgence seem to be focused in a direction inconsistent with those of countries having higher GEDI scores and lower ranks. How organizational culture can be structured to better align with the country's national culture so as to foster high-impact entrepreneurship will be outlined in the following section.

In the case of Poland, entrepreneurs should develop organizational cultures that begin with an understanding of their national culture and culminate in designs that foster high impact entrepreneurship. Two of Poland's cultural dimensions (masculinity-femininity and long-term orientation) are focused in the direction of the top 10 countries on the GEDI. As such, they require no intervention from the standpoint of organizational culture. The remaining four dimensions of Poland's national culture (power distance, individualism, uncertainty avoidance, and indulgence-restraint) are focused counter to the direction of the top 10 GEDI countries. Recommendations are outlined to address those four specific cultural dimensions.

Power Distance

To offset the effect of a high power distance culture in Poland, entrepreneurs should take steps to:

- a. Develop organizational structures that are more decentralized. This would facilitate communication and help establish a more egalitarian climate.
- b. Design a compensation structure that has smaller wage differentials. This would foster a participative atmosphere and equalize the distance in wage differences.
- c. Create a job structure in which manual and clerical workers are in equal job families. This would convey an impression of comparable worth to members of the organization.
- d. Encourage subordinates to share their opinions on aspects of the business. Entrepreneurs should consult with their employees and solicit their input when major decisions are necessary.
- e. Foster a democratic work environment where workers can participate and partially share in governance of the enterprise.

Individualism

To offset the effect of a mid-range score for individualism in Poland, entrepreneurs should take steps to:

- a. Foster an attitude where employees are expected to defend their own interests and ideas. This will create an atmosphere of healthy competition that serves to foster innovation.
- b. Implement policies and procedures that allow individual initiative. In so doing, employees will not feel threatened if they develop new and different ideas. They will feel empowered as they share their creative thoughts for the benefit of the enterprise. When innovations result from those ideas, they will experience the joy of accomplishment.
- c. Establish a second level of communication. This might include paying deserved compliments, approaching individuals personally to clarify information, and using friendly follow-ups with people to supplement official pronouncements. These actions would complement the formal communication in the organization and give employees the impression that they are individually important.
- d. Entrepreneurs and their managers should work hard to be up to date and endorse modern management ideas.
- e. Promote people within the organization based on market value with a long-term perspective. Those promotions should come from both inside and outside the firm.

Uncertainty Avoidance

To offset the effect of a high uncertainty avoidance culture in Poland, entrepreneurs should take steps to:

- a. Increase the enterprise's involvement in strategy by involving managers in the strategic planning process. This facilitates the understanding of how the firm is positioning itself as a response to opportunities and threats. It enables the parties – indeed the entire firm – to reduce the anxieties associated with market and economic uncertainties.
- b. Use a more interpersonal, rather than a bureaucratic, style in managing workplace issues. Entrepreneurs should show understanding and flexibility in the absence of highly structured rules and regulations that Poles seek in order to deal with change and ambiguity.
- c. Develop a workplace that encourages and rewards risk-taking, even if individuals make unintentional mistakes from which the enterprise can learn. Risk taking that results in innovation should be praised and rewarded both intrinsically and extrinsically.
- d. Cultivate a tolerance for variability in thinking and problem solving – but not in product specifications or service delivery. Using different approaches to solve workplace issues generally results in superior and more satisfying decision making.
- e. Minimize the number of written rules and encourage workers to develop cohesive citizenship behaviors for the benefit of the organization.

Indulgence

To offset the effect of a restrained culture in Poland, entrepreneurs should take steps to:

- a. Hire employees and develop partnerships with individuals having more extroverted personalities. These individuals are usually more socially-oriented and have well-developed networks of friends that can benefit the enterprise.
- b. Develop more enlightened views of gender roles. This harvests the intellectual capital sometimes minimized or excluded when entrepreneurs/managers build glass walls or ceilings along the lines of gender.
- c. Foster indulgence in thought to stimulate creativity and innovation. Today's entrepreneurs should understand the things that satisfy peoples' need to enjoy life and have fun. Catering to those needs typically results in high-impact entrepreneurship.

CONCLUSION

This paper aimed to shed some light on the cultural values of Poland. Using the data collected by Geert Hofstede, it was found that Poles were high in power distance, moderate on individualism, high on Masculinity and very high on uncertainty avoidance. They were low on long-term orientation and very low on Indulgence. The mix on these cultural dimensions is interesting and provides a likely interpretation for Poland's positioning on the GEDI. While the country has improved its entrepreneurial orientation over the last year, its rank is presently at 30 among the 137 nations represented in the Index. Its score is 50.4% compared to a score of 84% for the USA – a country ranked #1 on the GEDI. The paper connects the idea of cultural values with global entrepreneurial position and argues that the power of organizational culture can be harnessed to create high-impact entrepreneurship in Poland. Focused recommendations on how entrepreneurs can design the culture of their enterprises are highlighted. Adopting the human resource and business practices that these recommendations entail can potentially result in increased innovation, enhanced creativity, improved profitability, increased employment, and more satisfied workers. As such, a cultural approach to enhancing Poland's level and quality of entrepreneurship seems to be an economic and financial imperative.

LIMITATIONS

The findings and recommendations highlighted in this paper are based on research having some possible limitations. First, the data collected by Hofstede to generate the cultural dimensions are relatively old. Even with the replication studies that have been conducted, the data may not capture recent changes in the political or workplace environment. They may not capture employment-related changes such as the current emphasis on cooperation, empowerment, and knowledge sharing. Second, the Hofstede data were collected from a single organization – IBM. In developing his cultural dimension scores Hofstede made a questionable assumption that each nation consists of a uniform national culture and that data from a segment of IBM employees is representative of that supposed national uniformity. Notwithstanding these limitations, it is appropriate to point out that national cultural differences have remained fairly stable over time (Beugelsdijk, Maseland, and van Hoorn, 2015). As such, the conclusions in this paper rest on solid ground.

Beyond a discussion of national and organizational culture, this paper could have considered political, economic, and business factors to explain how high impact entrepreneurship might be advanced in Poland. Future research should explore those factors as potential explanatory variables.

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