

# The Inquisition of Uncertainty Avoidance Index in the Emanation of Entrepreneurial Development

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## Abstract

The uncertainty avoidance dimensions are concerned with nation's cultural ability to bear ambiguity. The individuals with high uncertainty avoidance cultures are tend to be inflexible as well as arrogant. The present study focuses on to evaluate the tolerance for uncertainty and their preference over the uncertainty and ambiguity. Exploratory factor analysis is used to identify factors behind uncertainty and ambiguity among entrepreneurs. Cross-tabulation analysis is used to examine the effectiveness of uncertainty in entrepreneurial development. The specific influence of uncertainty avoidance and ambiguity attributes on academic experience, location, reasons for choice and gender has been attempted to develop an instrument to measure Hofstede's cultural dimensions to evaluate the tolerance for uncertainty on entrepreneurship.

**Keywords:** Uncertainty Avoidance, Ambiguity, Entrepreneurial Development

## Introduction

The uncertainty avoidance means the ambiguity tolerated by people. Managers all over the world are concerned with uncertainty in the job environment prevailing in organisations, however many cultures are changing the parameters of tolerance for uncertain situations (Luque & Javidan, 2004). A fundamental dimension of any social-cultural environment is the avoidance of uncertainty (Hofstede, 1997). Uncertainty avoiding customers tend to buy the commodities with less ambiguity, while some customers with uncertainty take chance and buy new-fangled and unknown commodities with high ambiguity (Roozmand, Aghaee, Nematbakhsh, Baraani, & Hofstede, 2011). Knight explained in a simplified and generalised manner the views of Cantillon on entrepreneurship whose original copy was published initially in 1755 and in which

he defines the key purpose of an entrepreneur is to manage trading among supply and demand. Cantillon also defined that entrepreneurs purchase at a definite price from market and sell it at new rates to earn benefits (Hébert & Link, 1989). Schultz (1990) opines that an entrepreneur has to bear risk as it is a part or trait of entrepreneurship but this is not the single or exclusive attribute of a business tycoon. Neo-classical business analysts state that a series of probable results & set of favourable conditions are made of those outcomes which will occur actually (Varian, 1992). Then, a comparison will be made among peril and erratic. The distributions of probability will tell the level or quantity of risk. If the probability is unknown, the term is said to be "true uncertainty". But according to the economics of neo-classical, mainly, the possibilities are supposed to be recognised. With this concern, the entrepreneurship and entry, the benefit or profit opportunity conditions should be known and available to everyone. As a result, the "pure uncertainty" is usually discarded (Choi, 1993; Wubben, 1993). He also defines uncertainty in the same way as others, but he states that entrepreneurs are not known with the complete series of results or the possibility of occurring the known outcomes (Wubben, 1993). The topic of uncertainty is more recent in entrepreneurship. Kihlstrom and Laffont (1979) state that different persons have different risk bearing ability. In their model, they explain that persons who are less risk averse they will turn into lower level employees, on the other hand those who are more risk averse, will become entrepreneurs. Similarly, Iyigun and Owen (1998) in their model state that there is a work-related preference among inherited risk-full entrepreneurial organisations and comparatively safe options such as professional activities. Uncertainty is related with new entrepreneurs as they are unknown to the complete options of favourable outcomes (Bhide, 1994). Fresh businessmen are not able to find the level of profit in future.

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## Review of Literature

Hofstede (1980) sheds light on uncertainty avoidance attribute. He says that it refers to the ability of nation's culture to bear ambiguity. People in such high uncertainty avoidance cultural era tend to be assertive and unbending. Ayoun and Moreo (2008) investigate and observe that there is a link among uncertainty avoidance and organisations tactics. They also proclaim that the nation's culture can also influence the duty of manager, ethics, attitude, behaviour, and the organisation's beliefs and values. The predicted standards of uncertainty avoidance and intolerance of ambiguity can never describe the difference in the decision-making constancy and extensibility. Brinckmann, Grichnik, and Kapsa (2010) establish an optimistic relationship among business plans and doing which is controlled by uncertainty avoidance. Organisations can experience ambiguity in their understanding of technology and interpretation of their environment (March & Olsen, 1979). Giarratana and Torres (2007) analyse the link between the attribute of culture, specifically the uncertainty avoidance index (UAI) dimension of Hofstede & marketing strategy of organisations challenging in higher danger, and in the innovative areas. Shenkar (2001) postulate that uncertainty avoidance affects international affairs because of their high tendency for societies to avoid or to evade the ambiguity and uncertainty to facilitate numerous worldwide business dealings rather than the national transaction dealings. People's reaction towards uncertainty varies as a culture's responsibility (Sorrentino et al., 2008). There is also an indirect impact of UA on the company's possession context, that is the range of UA of any nation may persuade the way through this the further elements can establish a business possession (Wennekers, Thurik, Stel, & Noorderhaven, 2006). The consumers who do not tend to purchase the new products come under uncertainty avoidance, while those consumers who are open to adopting the new products and technologies come under uncertainty tolerant (Hofstede & Hofstede, 2005). Some modern studies (like Merrit, 1997) state that among all the dimensions of Hofstede, uncertainty avoidance is hard to replicate and it could be more precise to micro-groups or organisations. Kogan, Sasaki, Zou, Kim, and Cheng (2013) state that at the national level, uncertainty avoidance plays an important role to shape a relationship among trust, manner by which people can cope with unease allied with uncertainty, and personal welfare.

## Objectives

The broad objectives of the study are:

1. To examine the impact of autocratic approach & business expansion on entrepreneurial decision making.
2. To identify the impact of centralisation of authority on entrepreneurial development.

## Hypothesis

The hypotheses of the study are:

H0: There is a significant difference in autocratic approach, business expansion & entrepreneurial decision making.

H1: There is a significance difference in centralisation of authority & entrepreneurial development.

## Research methodology

An exploratory research design was used to conduct the study. The study rests on both the primary as well as on secondary data. Primary data was collected on the basis of the demographic profile through a common questionnaire from 1500 respondents from distinct places of Uttarakhand.

## Coverage

This study covers the SMEs concentrating on the five small as well as medium scale Industries (agro products, textile & hosiery products, food products & beverages, electronic, and electrical). The researcher has selected districts from Uttarakhand (Dehradun, Haridwar, Haldwani, Udham Singh Nagar), Delhi, NCR, Haryana (Kurukshetra, Panipat, Rohtak), and Punjab (Amritsar, Jalandhar, Ropad) on the basis of concentration of industries. The units were selected with the help of stratified random sampling technique. The sample size of study is 1500 in total. The study covered the period from 2011-2013.

## Data Collection

The primary data was organised with the help of questionnaires executed to varied SMEs. Two schedules were prepared and pre-tested before execution and information was sought from the entrepreneurs regarding

their long-term orientation and respect for tradition factors that influence the emergence of entrepreneurship in their respective geographical area who deal in agro products, textile & hosiery products, food products & beverages, electronics, and electrical. The secondary data was executed from printed and unprinted information, news of the government, and varied articles from journals.

### Reliability Analysis

Reliability analysis is used to examine the reliability of scale and inner consistency of extracted factors. Accordingly, Cronbach’s alpha coefficient was computed. Cronbach’s alpha coefficient figure for the data set is 0.662 that can be accepted as an expression of scale’s reliability. Dataset is said to be suitable for factor-analysis if Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) value is .6 or more & the Bartlett’s Test of Sphericity value should be significant (i.e. the sig. value should be .05 or smaller).

**Table 1: KMO and Bartlett’s Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.646
Bartlett’s Test of Sphericity	Approx. Chi-Square	1294
	Df	10
	Sig.	.000

In this case, the KMO Measure of Sampling Adequacy value is .597. The Bartlett’s test of Sphericity is significant,  $\chi^2(10) = 1.294E3$ ,  $p=.000$  and it shows that correlation matrix is not an identity matrix & therefore factor analysis is suitable.

### Statistical Tools

Analysis was based on data for each element/ characteristic in tabulated form. Factor analysis was used to recognise the essential factors behind uncertainty avoidance. Tolerance for uncertainty and their preference over the uncertainty and ambiguity dimension were tested with the help of test of significations besides using Cross tabulation.

### Analysis and Interpretation

Factor analysis was performed on the uncertainty avoidance and ambiguity attributes incorporated in the questionnaire to determine the underling dimension of uncertainty avoidance and ambiguity. A five point Likert-scale was used anchored from strongly agree, agree, neutral, disagree, and strongly disagree for five uncertainty attributes. Principal component analysis with varimax rotation and eigen value equal to or greater than 1 was used. The approach was to retain items with factor loadings of equal to or above 0.50 (Hair et al., 1998).

**Table 2: Total Variance Explained**

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.187	43.746	43.746	2.187	43.746	43.746	2.142	42.843	42.843
2	1.059	21.172	64.918	1.059	21.172	64.918	1.104	22.075	64.918
3	.760	15.203	80.121						
4	.585	11.700	91.821						
5	.409	8.179	100.000						

The eigen values for uncertainty avoidance and ambiguity attribute are 2.187 and 1.059 respectively and the percentage of variance for factor are 42.843 and 22.075

respectively. It indicates that the factor is extracted from five uncertainty attributes and has cumulative percentage 64.918 of the total variance.

**Table 3: Component Matrix**

	Component	
	1	2
Difficulties in expansion	.519	
Help in expansion	.718	
Centralisation of authority key to your business success	.716	
Least consultation for decisions with subordinates	.811	
Autocratic approach to take critical decisions		.752

Factors with an eigen value of 1.0 or more with factor loading 0.5 are retained for further investigation. Table 3 depicts that difficulties in expansion (.519), help in expansion (.718), centralisation of authority key to your business success (.716), least consultation for decisions with subordinates (.811), and autocratic approach to take

critical decisions (.752) are the attributes of uncertainty avoidance and ambiguity.

Bi-variate cross-sectional analyses were made in between demographic parameters and the various variables related to the effect uncertainty and ambiguity in entrepreneurial development.

**Table 4: Bivariate Analysis Result**

			Difficulties In Expansion					Total	Chi-Square	Correlation		
			Land	Capital	Technology	Labour	Machinery					
Academic Experience	High School	Count	54	116	0	31	27	228	211.6	-.037		
	Graduate		28	126	93	93	116	456				
	Post Graduate		85	357	158	90	96	786				
	Other		0	30	0	0	0	30				
Total Count			167	629	251	214	239	1500				
% of Total			11.1%	41.9%	16.7%	14.3%	15.9%	100.0%				
Location	Inside Town	Count	55	178	27	27	27	314	73.204	.194		
	Industrial Estate		112	451	224	187	212	1186				
	Total Count			167	629	251	214	239			1500	
	% of Total			11.1%	41.9%	16.7%	14.3%	15.9%			100.0%	

Reasons For Choice	Easy To Start	Count	31	31	0	35	0	97	625.2	-.032	
	High Growth/ Profile		28	86	69	28	58	269			
	Easy Availability of Machinery		0	181	124	62	127	494			
	Previous Experience		54	208	58	0	0	320			
	Unique Idea/ No Competition		27	58	0	27	0	112			
	Easy Funding		0	0	0	31	27	58			
	Technical Knowledge		27	65	0	31	27	150			
Total Count			167	629	251	214	239	1500			
% of Total			11.1%	41.9%	16.7%	14.3%	15.9%	100.0%			
Gender	Male	Count	167	605	251	214	239	1476	33.774	-.082	
	Female		0	24	0	0	0	24			
Total Count			167	629	251	214	239	1500			
% of Total			11.1%	41.9%	16.7%	14.3%	15.9%	100.0%			
<b>Centralisation of Authority Key to Your Business Success</b>											
Academic Experience		Count	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Total</b>	262.8	.092	
	High School		27	111	1	88	1	228			
	Graduate		91	111	0	159	95	456			
	Post Graduate		94	175	95	300	122	786			
	Other		0	30	0	0	0	30			
Total Count			212	427	96	547	218	1500			
% of Total			14.1%	28.5%	6.4%	36.5%	14.5%	100.0%			
Location	Inside Town	Count	85	136	35	58	0	314	184.7	.338	
	Industrial Estate		127	291	61	489	218	1186			
	Total Count			212	427	96	547	218			1500
	% of Total			14.1%	28.5%	6.4%	36.5%	14.5%			100.0%

Reasons For Choice	Easy To Start	Count	62	0	0	35	0	97	757.8	.051
	High Growth/ Profile		34	110	0	90	35	269		
	Easy Availability of Machinery		31	62	69	271	61	494		
	Previous Experience		31	139	0	89	61	320		
	Unique Idea/ No Competition		27	85	0	0	0	112		
	Easy Funding		0	0	0	31	27	58		
	Technical Knowledge		27	31	27	31	34	150		
Total Count			212	427	96	547	218	1500		
% of Total			14.1%	28.5%	6.4%	36.5%	14.5%	100.0%		
Gender	Male	Count	212	427	96	523	218	1476	42.493	.087
	Female		0	0	0	24	0	24		
Total Count			212	427	96	547	218	1500		
% of Total			14.1%	28.5%	6.4%	36.5%	14.5%	100.0%		
			<b>Least Consultation for Decisions with Subordinates</b>							
			<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Total</b>		
Academic Experience	High School	Count	0	54	81	62	31	228	352.8	.266
	Graduate		61	91	121	65	118	456		
	Post Graduate		1	91	119	304	271	786		
	Other		0	0	0	30	0	30		
Total Count			62	236	321	461	420	1500		
% of Total			4.1%	15.7%	21.4%	30.7%	28.0%	100.0%		
Location	Inside Town	Count	28	81	147	58	0	314	298.0	.388
	Industrial Estate		34	155	174	403	420	1186		
Total Count			62	236	321	461	420	1500		
% of Total			4.1%	15.7%	21.4%	30.7%	28.0%	100.0%		

Reasons For Choice	Easy To Start	Count	0	66	0	0	31	97	106.5	.017
	High Growth/Profile		62	0	62	111	34	269		
	Easy Availability of Machinery		0	27	35	196	236	494		
	Previous Experience		0	58	112	123	27	320		
	Unique Idea/No Competition		0	54	27	31	0	112		
	Easy Funding		0	0	31	0	27	58		
	Technical Knowledge		0	31	54	0	65	150		
Total Count			62	236	321	461	420	1500		
% of Total			4.1%	15.7%	21.4%	30.7%	28.0%	100.0%		
Gender	Male	Count	62	236	321	437	420	1476	54.971	.041
	Female		0	0	0	24	0	24		
Total Count			62	236	321	461	420	1500		
% of Total			4.1%	15.7%	21.4%	30.7%	28.0%	100.0%		
<b>Autocratic Approach to Take Critical Decisions</b>										
Academic Experience		Count	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Total</b>	178.3	.128
	High School		27	54	57	90	0	228		
	Graduate		35	141	60	187	33	456		
	Post Graduate		34	150	229	372	1	786		
	Other		0	0	0	30	0	30		
Total Count			96	345	346	679	34	1500		
% of Total			6.4%	23.0%	23.1%	45.3%	2.3%	100.0%		
Location	Inside Town	Count	0	202	27	85	0	314	394.5	.262
	Industrial Estate		96	143	319	594	34	1186		
Total Count			96	345	346	679	34	1500		
% of Total			6.4%	23.0%	23.1%	45.3%	2.3%	100.0%		

Reasons For Choice	Easy To Start	Count	35	0	31	31	0	97	876.5	-.192
	High Growth/Profile		0	55	83	97	34	269		
	Easy Availability of Machinery		34	62	85	313	0	494		
	Previous Experience		0	58	116	146	0	320		
	Unique Idea/No Competition		27	54	0	31	0	112		
	Easy Funding		0	0	31	27	0	58		
	Technical Knowledge		0	116	0	34	0	150		
Total Count			96	345	346	679	34	1500		
% of Total			6.4%	23.0%	23.1%	45.3%	2.3%	100.0%		
Gender	Male	Count	96	345	322	679	34	1476	81.348	-.018
	Female		0	0	24	0	0	24		
Total Count			96	345	346	679	34	1500		
% of Total			6.4%	23.0%	23.1%	45.3%	2.3%	100.0%		

The cross-tabulation shown in Table 4 depicts the relationship between academic experiences, location, reasons for choice, and gender with the variables difficulty in an expansion, centralisation of authority in your hands as key to your business success, least consultation with subordinates for decisions and autocratic approach to take critical decisions. The table depicts that there are total 1500 respondents, among which 228 (15.2%) respondents have studied up to high school, 456 (30.4%) are graduate, 786 (52.4%) holds postgraduate degree, and 30 (2.0%) have some other academic experience. Among total 1500 respondents, 167 (11.1%) respondents have difficulties in expansion with land, 629 (41.9%) respondents have difficulties in expansion with capital, 251 (16.7%) respondents have difficulties in expansion with technology, 214 (14.3%) respondents have difficulties in expansion with labour, and 239 (15.9%) respondents have difficulties in expansion with machinery. Majority of the respondents are postgraduate who responded that they found difficulty in expansion 85 (5.7%) from the land, 357 (23.8%) from capital, 158 (10.5%) due to technology, 90 (6.0%) because of labour, and 96 (6.4%) due to machinery. The Karl Pearson's value ( $r$ ) is  $-.037$  that shows a negative and pessimistic less significant association among academic experience and difficulty in expansion. The figure computed for  $\chi^2$  with def. 12 is 211.6 and the value tabulated for Chi-Square for 12 degree of freedom and at 5 percent significance level is 21.026. As computed figure

of Chi-Square is more and the tabulated figure is less, hence  $H_0$  is discarded which means the views of respondents having different qualification background regarding the statement "difficulty in the expansion" are different. Among 1500 respondents, 314 (20.9%) are from inside the town and 1186 (79.1%) are from the industrial estate. The number of respondents from the industrial estate who found difficulty in an expansion is 112 (7.5%) in land, 451 (30.1%) from capital, 224 (14.9%) because of technology, 187 (12.5%) due to labour, and 212 (14.1%) in machinery. The Karl Pearson value for coefficient of correlation is  $.194$ , which shows a favourable but less significant association among location and difficulty in the expansion. The enumerated figure with 4 degree of freedom is 73.204 and tabulated figure with same d.f. at 5 percent significance level is 9.488. In view of the fact that the enumerated figure of  $\chi^2$  is higher from tabulated figure of  $\chi^2$ ,  $H_0$  is discarded which means the views of respondents having different location regarding the statement "difficulty in the expansion" are different. Out of 1500 respondents, 97 (6.5%) respondents say the reason for choice is easy to start, 269 (17.9%) choose due to high growth & profile, 494 (32.9%) because of easy availability of the machinery, 320 (21.3%) say because of previous experience, 112 (7.5%) select due to unique idea and no competition, 58 (3.9%) because of easy funding, and 150 (10.0%) responded technical knowledge. The majority of the people say availability of machinery as the reason for

choice and they found no difficulty in an expansion from the land, 181 (12.1%) from the capital, 124 (8.3%) due to technology, 62 (4.1%) because of labour, and 127 (8.5%) due to the machinery. The value of Pearson's  $r$  is  $-.032$ , which shows the negative and less significant correlation among reasons for choice and difficulty in the expansion. The calculated figure of  $\chi^2$  for def. 24 is 625.2 and tabulated figure is 36.415 at 5% significance level. As calculated digit is greater from tabulated digit of  $\chi^2$ ,  $H_0$  is inadequate showing that views of respondents having different reasons for choice regarding the statement "difficulty in the expansion" are different. Among 1500 respondents, 1476 (98.4%) are male and 24 (1.6%) are female. The majority of male respondents, i.e. 167 (11.1%) found difficulty in an expansion in the land, 6051 (40.3%) from the capital, 251 (16.7%) because of technology, 214 (14.3%) due to labour, and 239 (15.9%) in machinery. The Pearson's  $r$  value is  $-.082$  which shows a negative and less significant correlation among gender & difficulty in an expansion. The calculated digit of  $\chi^2$  for 4 def. is 33.774 and tabulated digit of  $\chi^2$  with 4 d.f. and at 5% significance level is 9.488. Since the computed digit of  $\chi^2$  is more than the tabulated digit of  $\chi^2$ ,  $H_0$  is rejected resulting in the views of male and female respondents regarding the statement "difficulty in an expansion" are different. Among postgraduate respondents, 94 (6.3%) strongly agree that centralisation of authority is key to your business success, 175 (11.7%) responded agree, 95 (6.3%) were neutral with the statement, 300 (20.0%) said disagree, and 122 (8.1%) responded strongly disagree about the statement. The Pearson's  $r$  is  $.092$  which shows a favourable but less significant link among academic experience & centralisation of authority key to your business success. The calculated figure of  $\chi^2$  for 12 d.f. is 262.8 and tabulated figure at 5% significance level is 21.026. Since the calculated figure is more than the tabulated figure of  $\chi^2$ ,  $H_0$  is rejected which shows the views of respondents having different qualification background regarding the statement "centralisation of authority key to your business success" are different. People from the industrial estate responded about centralisation authority; 127 (8.5%) opined strongly agree, 291 (19.4%) responded agree, 61 (4.1%) remained neutral with the statement, 489 (32.6%) said disagree, and 218 (14.5%) responded strongly disagree about the statement. The Pearson's  $r$  is  $.338$  which concludes that it is an optimistic moderate significant connection among location & centralisation of authority key to your business success. The computed numeral value of  $\chi^2$  is 184.7 and tabulated numeral value of  $\chi^2$  at 5% level of significance for 4 d.f. is 9.488. Here the

computed numeral of  $\chi^2$  is more than the tabulated numeral, thus the  $H_0$  is not accepted which shows the views of respondents having different location regarding the statement "centralisation of authority key to your business success" are different. The majority of the people have reasons for choice due to the availability of machinery and found that 31 (2.1%) responded strongly agree with centralisation of authority, 62 (4.1%) responded agree, 69 (4.6%) neutral with the statement, 271 (18.1%) disagree, and 61 (4.1%) responded strongly disagree about the statement. The Karl Pearson's  $r$  is  $.051$ , which concludes that here is an optimistic but less significant association among reasons for choice and centralisation of authority key to your business success. The enumerated value of  $\chi^2$  is 757.8 and tabulated value of  $\chi^2$  for 24 d.f. and at 5% significance level is 36.415. Since the enumerated value is more than the tabulated value of  $\chi^2$ ,  $H_0$  is not accepted which prove that views of respondents having different reasons for choice regarding the statement "centralisation of authority key to your business success" are different. The majority of male respondents respond about centralisation of authority; 212 (14.1%) responded strongly agree, 427 (28.5%) responded agree, 96 (6.4%) neutral with the statement, 523 (34.9%) disagree, and 218 (14.5%) responded strongly disagree about the statement. The Pearson's value  $r$  is  $.087$  which defines that it is pessimistic and less significant relationship stuck between gender & centralisation of authority key to your business success. The assessed numeral of  $\chi^2$  with 4 d.f. is 42.493 and tabulated numeral of Chi-Square for 4 d.f. and at 5 percent significance level is 9.488. Since the assessed numeral of Chi-Square ( $\chi^2$ ) is more as compared to tabulated numeral of  $\chi^2$ , null hypothesis is discarded which means that views of male and female respondents regarding the statement "centralisation of authority key to your business success" are different. The majority of the people who are postgraduate state about least consultation for decisions with the subordinates; only 1 (0.1%) responded strongly agree, 91 (6.1%) responded agree, 119 (7.9%) neutral with the statement, 304 (20.3%) disagree, and 271 (18.1%) responded strongly disagree about the statement. The Pearson's  $r$  is  $.266$  which defines it is a favourable and moderate significant relation among academic experience & least consultation for decisions with the subordinates. The Chi-Square's calculated value for 12 degree of freedom is 352.8 and tabulated value of  $\chi^2$  is 21.026 at 5 percent significance level. As the calculated figure of  $\chi^2$  is greater from the tabulated figure,  $H_0$  is discarded, which shows the views of respondents having different qualification background regarding the

statement “least consultation for decisions with the subordinates” are different. People from the industrial estate responded about least consultation; 34 (2.3%) responded strongly agree, 155 (10.3%) responded agree, 174 (11.6%) neutral with the statement, 403 (26.9%) disagree, and 420 (28.0%) responded strongly disagree from statement. The value of  $r$  is .388 which indicates a favourable and moderate significant relation in location and least consultation for decisions with the subordinates. The calculated figure of  $\chi^2$  with 4 d.f. is 298.0 and tabulated figure at 5% level of significance is 9.488. As the calculated amount of  $\chi^2$  is greater than tabulated amount,  $H_0$  is discarded which proves that views of the respondents having different location regarding the statement “least consultation for decisions with the subordinates” are different. The majority of the people have reasons for choice due to the availability of machinery and none responded strongly agree with least consultation with subordinates, 27 (1.8%) responded agree, 35 (2.3%) neutral with the statement, 196 (13.1%) disagree, and 236 (15.7%) responded strongly disagree about the statement. The Karl Pearson’s value ( $r$ ) is .017 which declares a favourable but less significant relation in reasons for choice & least consultation for decisions with the subordinates. The enumerated numeral of  $\chi^2$  with 24d.f. is 1065 and tabulated numeral of  $\chi^2$  for 24 d.f. and at 5% significance level is 36.415. Since the enumerated numeral is more as compared to tabulated numeral of  $\chi^2$ ,  $H_0$  is not accepted which shows that views of respondents having different reasons for choice regarding the statement “least consultation for decisions with the subordinates” are different. The majority of male respondents respond about least consultation; 62 (4.1%) responded strongly agree, 236 (15.7%) responded agree, 321 (21.4%) neutral with the statement, 437 (29.1%) disagree, and 420 (28.0%) responded strongly disagree about the statement. The Pearson’s value ( $r$ ) is .041 which results in a favourable but less significant correlation among gender & least consultation for decisions with the subordinates. The calculated figure with 4 d.f. is 54.971 and tabulated figure of  $\chi^2$  at 5% significance level is 9.488. Since the calculated figure of  $\chi^2$  is more from tabulated figure of  $\chi^2$ ,  $H_0$  is discarded which means the views of male and female respondents regarding the statement “least consultation for decisions with the subordinates” are different. Among postgraduate respondents, 34 (2.3%) responded strongly agree with autocratic approach to take critical decisions, 150 (10.0%) responded agree, 229 (15.3%) neutral with the statement, 372 (24.8%) disagree, and 1 (0.1%) responded strongly disagree about the statement. The Karl

Pearson’s value .128 which makes a positive but less significant correlation among academic experience and autocratic approach to take critical decisions. The calculated figure of  $\chi^2$  for 12 d.f. and at 5% significance is 178.3 and tabulated figure is 21.026. As the calculated figure of  $\chi^2$  is more from tabulated figure,  $H_0$  is discarded that results in the views of respondents having different qualification background regarding the statement “autocratic approach to take critical decisions” are different. People from the industrial estate responded about autocratic approach; 96 (6.4%) responded strongly agree, 143 (9.5%) responded agree, 319 (21.3%) neutral with the statement, 594 (39.6%) disagree, and 34 (2.3%) responded strongly disagree about the statement. The Karl Pearson’s value is .262 which shows a positive moderate significant correlation among location and autocratic approach to take critical decisions. The computed numeral for 4 d.f. is 394.5 and tabulated numeral of  $\chi^2$  is 9.488. Since the computed numeral is higher as compared to tabulated numeral, therefore  $H_0$  is rejected which makes the views of respondents having different location regarding the statement “autocratic approach to take critical decisions” are different. The majority of the people have reasons for choice due to the availability of machinery and 34 (2.3%) responded strongly agree with autocratic approach to take critical decisions, 62 (4.1%) responded agree, 85 (5.7%) neutral with the statement, 313 (20.9%) disagree, and none strongly disagree about the statement. The value of  $r$  is -.192 which shows a less significant and pessimistic association among reasons for choice and autocratic approach to take critical decisions. The assessed value of  $\chi^2$  with 24 d.f. is 876.5 and tabulated value of  $\chi^2$  with 24 d.f. and at 5 percent significance is 36.415. Since the assessed value of  $\chi^2$  is higher than tabulated numeral of  $\chi^2$ ,  $H_0$  is redundant which means that the views of respondents having different reasons for choice regarding the statement “autocratic approach to take critical decisions” are different. The majority of male respondents responded about autocratic approach; 96 (6.4%) responded strongly agree, 345 (23.0%) responded agree, 322 (21.5%) neutral with the statement, 679 (45.3%) disagree, and 34 (2.3%) responded strongly disagree about the statement. The Pearson’s value is -.018 which shows a pessimistic and less significant association in gender & autocratic approach to take critical decisions. The calculated value of Chi-Square with 4 d.f. is 81.348 and tabulated value is 9.488 at 5% level of significance. In view of the fact that the calculated number of Chi-Square is more than the tabulated numbers of Chi-Square,  $H_0$  is not accepted which means that the views of male and female respondents

regarding the statement “autocratic approach to take critical decisions” are different.

## Findings and Conclusion

The uncertainty avoidance attribute refers to the nation's culture capability to bear ambiguity. An individual with high uncertainty avoidance culture is unbending and assertive. They are feared by unfamiliar situations. The aim of the paper was to assess the tolerance for uncertainty and their preference over the uncertainty and ambiguity and to fulfil it, we measure the relationship between the demographic profile and the elements of uncertainty. The cross-tabulation examines the demographic profile of the respondents including academic experience, location, reasons for choice, and gender with the elements of uncertainty which are difficulty in an expansion, centralisation of authority in your hands as key to your business success, least consultation for decisions with subordinates, and autocratic approach to take critical management decisions. The relationship between academic experience and difficulty in an expansion states that postgraduate respondents find more difficulty in the expansion due to the capital. They agree with the statement that there should be centralisation of authority for the success of the business but disagree on the statements that least consultation for decisions with subordinates and autocratic approach should be used to take critical decisions. The hypothesis is rejected/ discarded which means that people having different academic experiences have different views and perceptions regarding the statements. When we consider the relationship between location and different elements of uncertainty and ambiguity, it summarises that respondents from industrial estate are in majority and found difficulty in expansion because of capital and partners can help in the expansion. People from the industrial estate do not agree on the statements about centralisation of authority, least consultation with subordinates, and autocratic approach to take critical decisions. The hypothesis is rejected which concludes that people who reside inside towns and are from the industrial estates have different views. Respondents have different reasons for choice to start up a business. The majority are those who get easy availability of machinery. They responded that they found difficulty in an expansion in capital and partners can help in an expansion of business. These respondents disagreed on the statements; centralisation of authority and autocratic approach to take critical decisions, although they strongly disagree about least consultation with subordinates for

decisions. The hypothesis is rejected which shows that respondents who have different reasons for choice have different attitude and perception.

Male respondents are in majority and state that capital is a problem for expansion of business and partners can help in expansion. They disagree on the elements; centralisation of authority, least consultation with subordinates, and autocratic approach to take critical decisions. The hypothesis is rejected which meant that male and female respondents have different views and perception towards the statements. Hofstede's investigation established the uncertainty avoidance element as one of the nation's level to study. The research was also established in cross-culture. High uncertainty avoidance shows many of the risk dropping strategies.

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