The Impact of Individualism And Collectivism On Firm’s Internal Capabilities and External Networks

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ABSTRACT

This study aims to identify the impact of individualism and collectivism in the development of internal capabilities and external networks of Technology Based Start-Up Firms (TBSF). We conducted a multiple case study, with multiple units of analysis. The data were collected through unstructured, in-depth interviews and via a semi-structured, questionnaire interview. The data analysis confirmed our assumption that in individualistic cultures it is easier for TBSF to develop internal capabilities than in collectivistic cultures. We also found that in collectivistic cultures is easier for TBSF to develop external networks than in individualistic cultures.

Key Words: Cross-cultural studies, Technology-Based Start-up Firms, Individualism-Collectivism.

INTRODUCTION

State-of-the-art-technologies are generated in universities, serving as a source of technological advances for many different industries (Bercovitz and Feldman, 2006). The researchers are usually graduate students and professors. Although they are technologically skilled, they may not have the management expertise to transform an invention into a commercializing technology, generating new products and making it available to consumers (Marino and De Noble, 1997). Hackett and Dilts (2004) agree with this idea, pointing out that it is this critical time between getting a product from the lab to the market that often is loaded with failure by Technology-Based Start-up Firms (hereafter TBSF).

In order to facilitate the transfer of technology from the university labs to entrepreneurs, incubators were created. According to Aernoudt (2004) the goal of an incubator is to support start-up firm development and growth by offering business services and resources, helping to reduce the number of failures. However, even if a TBSF is able to utilize the incubator
services and resources, some incubated firms have become successful, while others have not. Why? Is there any commonality among the TBSF that can explain their success or failure?

The factors that have been affecting TBSF success have been studied by Marino and De Noble (1997), Zahara and Bogner (2000), and Lee et al. (2001). Lee et al. (2001) conducted a deep-seated research based on the Resource-Based View of the firm and Social Capital theories. The researchers identified the influences of internal capabilities, and external networks on TBSF performance.

Also, affecting the performance of TBSF is the culture of the country they belong to, since managers will behave differently based on their values, attitudes and beliefs (Hofstede, 1980). How can we relate the internal capabilities and external networks with culture and the performance of TBSF?

One of the dimensions of culture is individualism versus collectivism (Hofstede, 1980). The influences of internal capabilities in the performance of TBSF seem to be more easily developed by countries with an individualistic culture, and the external networks by countries with a collectivistic culture. As a result this research aims to identify the impact of the individualism collectivism cultural dimension in the performance of technology based start-up firms in a country with an individualistic culture and another with a collectivistic culture, and then compare the studies to identify the effects of this culture dimension in the results.

In 2005 start-up firms that have been incubated created in North America 100,000 jobs and generated more than $17 billion annual revenues (Knopp, 2007). Establishing what affects TBSF performance can help incubators develop effective programs for start-up firms’ growth, increase their chances of success, and help to advance management theory. Considering that TBSF helps to boost a region’s economy research that helps to develop better programs to assist these companies has also a practical importance.

This paper is organized in the following manner. First, the paper presents the theoretical background including incubator’ definition and its characteristics, the internal capabilities and the external network factors that affect firms’ performance, and individualism versus collectivism national cultural dimensions. Second, the paper describes the methodology used in the research, conducted in Brazil and the comparative study conducted in U.S. The findings as well as the data analysis are presented, followed by the conclusion and limitations.
INCUBATORS AND TECHNOLOGY-BASED START-UP FIRMS PERFORMANCE

Business incubators are designed to accelerate start-up firms development through a range of business support services and resources (Knopp, 2007). Some examples of these services and resources are: help to develop market forecasts, networking, business strategies, administrative services, legal advice, cheap office space, equipment and lab facilities (Sherman, 1999). These services and accessibly resources assist these firms during the early stages of their life cycle, enabling them to achieve the level needed to stand alone in the market place. According to the National Business Incubation Association, firms normally remain in the incubator for two to three years, after which the firm graduates as an independent, self-sustaining business (Knopp, 2007).

There are three major categories of incubators: empowerment, mixed-use, and technology (Sherman, 1999). Empowerment is an incubator promoting the micro enterprise in areas that have high unemployment, and community renewal. Mixed-use incubators focus on heavy and light manufacturing, as well as in service firms. High technology incubators support start-up firms that are innovative and develop new technology.

The technology-based incubators are the dominant category in the continuing growing number of business incubator (O’Neal, 2005). One of the reasons for this can be the government finance support to these institutions, due to their importance for the generation of new technology and economic development. Based on these points we decide to investigate in this study technology-based incubators and firms.

The performance of TSBF is influenced by internal capabilities and external networks (Lee et al. 2001). The internal capabilities were developed by Lee et al. (2001) according to the Resource-Based View of the firm (RBV) literature. The RBV investigates firms’ available resources and how those resources affect the organization performance (Barney, 1991).

Lee et al. (2001) concluded that two TBSF internal capabilities impact start-up performance. The first is the firm’s technological capability, as reflected by the volume of patents, certification and intellectual property the start-up firm is able to conquer. Intellectual property protected by patent laws gives start-ups the right to commercialize what their R&D is able to develop, protecting their market and differentiating themselves from other firms (Lee et al., 2001). Patents bring competitive advantage for TSBF versus firms from traditional industry sectors that in general are not able to patent its products.

The second internal capability is the financial resources invested during the company’s development period, to avoid jeopardizing its future. In this research we decided not to measure this internal capability, to avoid monetary comparisons among the countries that are
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being researched. Nonetheless, Lee et al. (2001) also found that this internal capability is highly influenced by TBSF’s ability to develop external network, since the linkages to venture capital firms can help them to obtain capital. Consequently these linkages will be investigated in the external networks factors.

The external networks factors affecting the performance of TBSF were developed by Lee et al. (2001) based on the Social Capital theory. This theory affirms that a firm’s external networks have a major impact on its performance (Leenders and Gabbay, 1999; Hansen et al. 2000; Bollingtoft and Ulhøi, 2005). The firm’s capability to build up a network is essential for them to acquire funds, technology, marketing information, and human resources, impacting its success.

Although Lee et al. (2001) investigated three external types of network he found out that just the partnership-based linkages with external actors have impacted the start-up performance. These external actors can be venture capitalists and financing agencies with a direct impact in the TBSF performance; the universities and research institutes; and venture associations with a strong effect and interaction in the internal capabilities. The development of relations with these players is regarded as crucial for sharing information, being a source of complementary resource, discovering new opportunities, developing technology knowledge, and obtaining funds.

The internal capabilities and external network factors described are the basis for the examination of the impact of individualism and collectivism national culture dimensions on TBSF performance in this research.

INDIVIDUALISM VERSUS COLLECTIVISM AND THE DEVELOPMENT OF INTERNAL CAPABILITIES AND EXTERNAL NETWORKS

Hofstede (2007: 413) a cross-cultural researcher defined culture as “the collective programming of the mind which distinguishes the members of one group or category of people from another”. He developed a classification of national cultures supported by different dimensions. One of the dimensions is individualism versus collectivism. Sarkar (2009), Greenfield (2000) and Triandis (1996) affirmed that the individualism versus collectivism construct has been recognized as the most significant cultural difference among societies. This is the reason we choose this culture dimension to investigate in our research.

In individualistic cultures the ties among people are loose; they place priority on personal goals and to take care of themselves (Hofstede, 1980). They behave primarily on the basis of their attitudes rather than the norms of their in-groups (Triandis, 2001). On the other hand a collectivist culture place priorities on the family and group, distinguishing between in-groups and out-groups (Hofstede, 1997). People that belong to this culture are especially concerned with relationships (Triandis, 2001).
One of the factors in the TBSF's internal capabilities is related to the firm technological capabilities: their ability to hold patents, certifications and intellectual property (Lee et al., 2001). In individualistic cultures the person that invented something has the right to protect it, and to determine who is going to copy and use it (Daniels et al., 2009). On the other hand, in a collectivistic culture intellectual property does not make so much sense because they believe that things should be developed for the benefit of the whole society and not just one person (Daniels et al. (2009). This makes the enforcement of laws regarding intellectual property much more difficult in countries with a collectivistic orientation than in countries with an individualistic orientation.

![Figure 1: Research Design.](image)

Nonetheless, external network seems to be more easily developed by countries with a collectivistic culture, because they are very skilled in establishing tight social relations. They tend to base their identity on the groups they belong to, being very natural for them to create strong relations with other people. Therefore, it is probable that successful TBSF in countries with an individualistic culture will be stronger in developing their internal capabilities than developing external network. On the other hand, TBSF in collectivistic countries will better develop their external network than their internal capabilities. Based on this assumption we developed our research design, as shown in Figure one.

In Hofstede IBM study (Hofstede, 2001) the United States scored 91/100 and Brazil 38/100 in the individualism (versus collectivism) dimension. The higher the score the higher is the
level of this dimension. Consequently according to Hofstede (2007) the United States is one of the most individualistic countries in the world. On the other side, Brazil is known for a collectivistic culture. These two countries were chosen for our research, being US the representative of an individualistic culture and Brazil the representative of a collectivistic culture.

METHODS AND FIELD PROCEDURES

This cross-cultural multiple case study was carried out in several phases. First, we chose one technology incubator in Brazil and one in U.S. Second, we identified the TBSF’s to be investigated, based in several requirements described in the case selection. Third we investigated the internal capabilities and external networks of TBSF from the Brazilian and US incubator. Finally, we compared the studies to identify the impact of an individualistic culture, United States, versus a collectivistic culture, Brazil in the development of internal capabilities and external networks.

Case Selection

According to Yin (2003) in case study researches the investigator should carefully choose the cases to better understand the phenomena. The Brazilian incubator studied was the Center of Technology Firms Incubation— (CIETEC). It is an incubator positioned in the University of São Paulo, Brazil. With similar characteristics, because it was also established by a university and is a technology-based incubator, we defined the Indiana University Emerging Technologies Center (IUETC), an Indiana University incubator, as our U.S. case.

In order to support our research goals, graduated TBSF’s had to fulfill certain requirements before being chosen for this research. First, the firm must be connected to the university through a student, professor, or a university alumni scientist, having been incubated at CIETEC for the Brazilian study and at IUETC for the U.S. study. Second, the firm must be technology based with innovative technology, because this is the object of our study. In order to verify potential firm performance growth, the firm has to have existed for at least two years, been operating in the market with increasing sales or have offered a growing number of jobs. Fourth, the firm has to be legally structured as a private company.

Based on these requirements, five TBSF’s were identified at CIETEC. Nevertheless, only four firms agreed to participate in the research. The four firms that participated in the research were code named Gama, Alpha, Beta and Delta. In the American research four firms met the study’s requirements and all agreed to participate in the research. The firms were code named Chi, Kappa, Mu, and Phi.

Data Collection and Analysis
The primary data were collected in different ways. The incubator data were collected through semi-structured in-depth interviews with the incubator's managers and observations conducted in on-site visit. The interview guide was elaborated in order to obtain information about the incubator history, the services provided by the incubator, the incubation process, the firms that graduated from the incubator and the relationship among the incubator and the government and other agencies. Secondary data were collected from the Incubator published material and incubator's website.

With the TBSF's a semi-structured interview based on a questionnaire, with the main partner of each firm, was conducted. The questionnaire was comprised of three sections. The first section captured firm and manager demographic data. The second section captured the characteristics of the TBSF's. The summary of this finds are presented on section number 6 findings of this paper, on Table 2 and 3. The questionnaire's last section was designed according to the internal capabilities and external network factors affecting TBSF performance, described before, and based on Lee et al. (2001) studies. The interview was based on the points presented on Table 1. Furthermore, some data were exchanged by e-mail or telephone in order to complement our interview information.

Table 1: Semi-structured Interview.

| 1. Firm's networking capabilities. |
| 2. Existence of network among the incubated firms. |
| 3. Existence of some formal technique for identifying new business opportunities. |
| 4. Usefulness to the firm of the university's associations with other institutions. |
| 5. The University provided a facilitating environment for entrepreneurial initiatives. |
| 6. The firm used financing specifically offered for technology firms |
| 7. Importance of the prestige of the University |
| 8. Importance of Incubator services |
| 9. University's associations with other institutions was helpful to the firm |
| 10. Incubator's connection with university was helpful for obtaining capital |
| 11. Existence of financial partner |
| 12. Used services provided by other incubated firms |

FINDINGS

Technology-based start-up firms profile

The TBSF's profile was investigated to help understand the firms characteristics, as well as to ensure all firms fulfilled the requirements established for this research, presented in the case
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Table 2 presents the data profile for CIETEC’s STBF, in Brazil. Table 3 presents the data profile for IUETC STBF in U.S.A.

### Table 2: Brazilian Firm’s Profile and Technological Capability.

<table>
<thead>
<tr>
<th>Characteristics of Firms</th>
<th>CIETEC - INCUBATOR IN BRAZIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business owners management experience prior to run the TBSF</td>
<td>Gama</td>
</tr>
<tr>
<td>None. All three partners had just technical expertise.</td>
<td>From two partners, just one had had three years of management experience.</td>
</tr>
<tr>
<td>Legal structure</td>
<td>Limited company</td>
</tr>
<tr>
<td>Main products</td>
<td>Magnetic field translator; magnetic field measuring device; current transducer and current pliers.</td>
</tr>
<tr>
<td>A. Year of Creation</td>
<td>A. 001</td>
</tr>
<tr>
<td>B. Year of Incubation</td>
<td>B. 001</td>
</tr>
<tr>
<td>C. Year of Graduation</td>
<td>C. 001</td>
</tr>
<tr>
<td>Connection between founders and the University of Sao Paulo (USP)</td>
<td>USP Researcher</td>
</tr>
<tr>
<td>N° of jobs generated</td>
<td>Outsourced some jobs.</td>
</tr>
<tr>
<td>Key events</td>
<td>In 2003, started being represented by a US company.</td>
</tr>
<tr>
<td># of Patents</td>
<td>None.</td>
</tr>
<tr>
<td>Lead time for NPD projects</td>
<td>6 months to 1 year</td>
</tr>
</tbody>
</table>

*N/A: Not Available
Table 3: United States Firm’s Profile and Technological Capability.

<table>
<thead>
<tr>
<th>IUETC - INCUBATOR IN USA</th>
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<tbody>
<tr>
<td><strong>Characteristics</strong>/Firms</td>
</tr>
<tr>
<td>Business owner management experience prior to run the TBSF</td>
</tr>
<tr>
<td>Legal structure</td>
</tr>
<tr>
<td>Field of activity</td>
</tr>
<tr>
<td>Main products</td>
</tr>
<tr>
<td>C. Year of Graduation</td>
</tr>
<tr>
<td>Connection between founders and Indiana University (IU)</td>
</tr>
<tr>
<td>N° of jobs generated</td>
</tr>
<tr>
<td>Key events</td>
</tr>
<tr>
<td># of Patents</td>
</tr>
<tr>
<td>Lead time for NPD projects</td>
</tr>
</tbody>
</table>

The first data to be compared between CIETEC and IUETC are related to the business owner management experience prior to running the TBSF. One of the difficulties faced by TBSF is their lack of managerial expertise (Pena, 2004; Dodgson and Rothwell, 1992; Berte, Rodrigues and Almeida, 2010), and in previous start-up situations (Marino and De Noble, 1997).

As showed in Table 2 and 3 the lack of managerial skills can be confirmed in CIETEC’s TBSF, but not in IUETC’s TBSF. From the four CIETEC’s TBSF, just one had had one of the partners with a previous experience in management, and one had a former partner with experience in marketing. In all the others firms, the partners had formal education and professional experience, in a technical area of expertise, in general related to the firms field of activity. They lack knowledge and experience in management. Gama’s interviewee partner holds a Ph.D. in physics and Delta’s interviewee in biochemistry. Alpha interviewee is an accountant and Beta partners have degrees in electrical engineer and industrial designer.

On the other side, all the presidents of the IUETC’s TBSF had management experience prior to managing the start-up. When an Indiana University researcher develops a technology with an application, the Indiana University Research and Technology Corporation (IURTC), the owner and operator of the IUETC, help the inventor to transfer this technology to a TBSF. In general this happens though a process of patenting the invention and licensing it for an entrepreneur. Patents generated by Indiana University- Purdue University Indianapolis (IUPUI) researchers are property of IU. The inventors cannot manage the firm, however they are allowed to have equity stake. In general, they serve as a consulting person in the technical field of the firm. This eliminates any conflict between the scientist and the University, in terms of intellectual property rights, and also gives the start-up firm the managerial experience necessary for the business to succeed.

As a conclusion we verified that the laws of intellectual property at IUETC, in the U.S., which is characterized as an individualistic culture, are much more enforced than in CIETEC, a Brazilian incubator, characterized by a collectivistic culture. IUETC makes a very clear rule of who manages the TBSF in order to protect the intellectual property rights hold by IUPUI. It is also interesting to notice how this rule is benefiting the TBSF performance, once it helps TBSF deal with three problems: the lack of managerial skills (Pena, 2004; Dodgson
and Rothwell, 1992), experience in previous start-up situations (Marino and De Noble, 1997), and the inability to hold patents (Dodgson & Rothwell, 1992).

Internal Capabilities Affecting TBSF Performance

The internal capability that affects TBSF performance is its technological capability (Lee at al. (2001). In this study it was measured in terms of the number of patents each firm was able to hold. As presented in Table 2, three of the CIETEC’s TBSF stated that they hold none and have no intention of taking out any patents, as they believe the process is both bureaucratic and expensive. Patents are an important tool to protect the invention from being copied, but it is a long and expensive procedure, and one of the reasons firms fail to apply (Dodgson & Rothwell, 1992).

IUETC in order to help TBSF deal with this long and expensive process, offer assistance for firms to go through the patent application procedure, as well as pay for it. As a result three from four IUETC’s TBSFs have patents, according to Table 3. The IUETC firm that does not have it stated that their product is not able to be patented.

This corroborates with the previous findings that IUETC, in an individualistic culture, wants to provide support for the TBSFs to be able to hold patents and they are being effective. In the other side, the Brazilian Incubator, in a collectivistic culture does not offer any specific service or pay for the patenting process.

Based on the data obtained the technological capability of TBSF, measured in terms of patents is higher in US than in Brazil. The individualistic culture demonstrated to be more favorable to the internal capability performance of TBSF’s than the collectivistic culture in this aspect.

External Networks Affecting TBSF Performance

The three external types of network that impacted the start-up performance or have strong effects and interaction with the internal capabilities described before are partnership-based linkages with external venture capitalists and financing agencies, universities and research institutes, and venture associations (Lee et al., 2001).

The first external factor examined in our research was the linkages with venture capitalists and financing agencies. The importance of the development of network with these organizations is due to the possibility for TBSF to overcome the scarcity of funds and avoid the difficulties in acquiring equipment (Santos, 1987). The way we measure the success of
their network with venture capitalists and financing agencies is by identifying if they acquired or not new investments or financing lines.

The data collected in the Brazilian study showed that the firms relied on financing lines from the Brazilian Government, provided by:

- CNPQ (The National Council for Scientific and Technological Development), all four firms;
- FAPESP (The São Paulo State Foundation for Aid to Research), Phase 1, three of the firms and Phase 2, two of the firms and,
- FINEP (Research and Projects Financing), one of the firms.

All firms stated that their connection with the university helped them obtain these financing lines. Also, Alpha and Delta received funding from venture capitalists.

The CIETEC’s incubated firms were not just well informed on the subject of available lines of financing and on the process of applying to it, but also were victorious in obtaining these financing resources. The CIETEC incubator is behind this success, once they are the ones providing information and helping the firms to prepare the projects that are being submitted for financial approval. Maculan (1996) states that incubators should intermediate the relations between innovation support agencies, since limited access to finance for production startup is one of the problems of incubators. CIETEC was able to overcome this challenge.

At IUETC three firms received seed funding from BioCrossroads, but did not receive any money directly through the university. BioCrossroads was founded in 2002 in a partnership from major science companies and universities in the state of Indiana. All of the firms interviewed also had received multiple awards that were accompanied by prize money ranging anywhere from ten thousand to fifty thousand dollars. The president of Chi stated that getting cash infusion is imperative to funding the research to get products to market. The CEO of the Mu firm also stated that the firm does not have an outside financial investor, but is looking for one.

One difference between CIETEC and IUETC linkages with venture capitalists and financing agencies is that in Brazil all firms received financing funds from government agencies. In the other side, in the US study the financing funds come from a partnership from private and public organizations. In collectivist cultures, the economic system is in general centrally-planned. The government has a strong intervention in the market and in the economy of the country taking more responsibility in founding private firms than in individualistic cultures.
that are more characterized as having a free market economic system. This probably explains the different sources of financing resources between Brazil and US.

The second external factor investigated was the partnership-based linkages with universities and research institutes. One of the functions of incubators is to enable a formal connection between the firm and universities or research centers. In our study CIETEC proved to be very successful in achieving this goal. Just one out of the four researched firms mentioned that the incubator had not been a facilitating environment for establishing connections with the university’s laboratories. This firm had been among the first group of incubated firms, and they believe because the incubator was new they were not prepared to offer this support. The other three companies categorically stated the opposite. The firms had had access to laboratories such as those of the Technological Research Institute – IPT that belongs to the University. The use of this laboratory was cost free for the firms.

In the American study the firms used the laboratories provided just by the incubator. They were not allowed to use other labs that belonged to the university where they were located. Also, they needed to pay for the use of these laboratories. The Kappa and Mu firms stated that the laboratories’ rental costs were very high. This information contradicts with the general incubators standards that are to provide affordable rental prices, cheaper than the market price. The IUTEC incubator’s manager declared that the incubator offers the only wet lab space in the entire state. It seems that although this was the only way the tenant firms could have access to it, they still were not pleased about the rental prices charged.

As a conclusion, in relation to the partnership-based linkages with universities and research institutes our results confirmed our preposition that a collectivistic culture is more successful than an individualistic one in this aspect. Also, our results show that in CIETEC there are no costs associated with the use of labs. Nonetheless, this is not the case of IUTEC. Higher costs for firms can affect their performance, giving CIETEC firms a cost advantage in relation with IUTEC firms.

The third type of external network examined was the partnership-based linkages with venture associations. The network developed by TSBF with other firms or professionals can help them to accumulate social capital. It is possible to obtain managerial knowledge, acquaintance about new market trends and opportunities, the development of new partners (Lee at al., 2001) and the access to new resources (Prevezer, 2000.)

Our study revealed that the firms located inside the CIETEC have developed a strong network capability, exchanging knowledge, resources and support inside the incubator and outside. The firms indicated that CIETEC plays a very important role in helping them develop these connections through several activities they promote. These activities range from social activities, to professional lectures, meetings and trips that bring not just the TBSF
together but also expose them to representatives from professional associations, government agencies and other public and private organizations. These activities happen inside and outside the incubator.

At the IUETC the ties among the firms inside the incubator can be characterized as weak. All the firms researched informed that they do not have much interaction with other TBSF and also their network outside the incubator is not strong. Mu interviewee stated that even after having graduated from the incubator it still had weak networking capabilities. The IUETC incubator interviewee stated that the network at the Incubator and across the region was still being built, and was not really visible. The interviewee from the Kappa firm said that the network was not important for scientific enhancement. Based on the affirmations it is possible to verify that the development of network with venture associations is not a priority for the Incubator and is not viewed as important for the IUETC TBSF.

Based on our data analysis we can reaffirm our preposition that a collectivistic culture is more successful than an individualistic culture in developing partnership-based linkages with venture associations. These linkages can affect the performance of TBSF due to the gains one firm can obtain in being more effective in developing social capital than others.

CONCLUSIONS AND LIMITATIONS

In this research, we proposed to identify the impact of individualism versus collectivism culture dimension in the development of internal capabilities and external networks of TBSF. We believe that the association of cultural dimensions and firms' performance can contribute to the discipline of multiculturalism studies as well as entrepreneurial business.

To achieve our research goal we conducted a multiple case study with multiple units of analysis, and finally compared the studies. The multiple case studies were chosen from two different countries, with two different culture dimensions: Brazil, with a collectivistic culture and US. with an individualistic culture. The internal capabilities and external networks were verified based in Lee et al. (2001) studies about TBSF performance.

The data analyses about the TBSF profile as well as the internal capability demonstrate that the technological capability of TBSF, is higher in US than in Brazil. In an individualistic culture is easier for TBSF to develop internal capabilities than in collectivistic cultures.

In terms of external network we investigated the partnership-based linkages with venture capitalists and financing agencies, universities and research institutes and venture associations in CIETEC and IUETC TBSF. We found that all three types of external network were more developed in Brazil than in the US. This confirmed our preposition that in
collectivistic culture it is easier for TBSF to develop external networks than in individualistic cultures.

One of the limitations of this study is based on the number of units of analysis difficultying generalizations. Nonetheless, this limitation can provide direction for future studies including the study of more countries and also other industry sectors.

This study has demonstrated how individualism and collectivism cultural dimensions can impact in TBSF development of internal capabilities and external networks. This knowledge can help incubators; local government agents and small business associations offer improved and more comprehensive services, enabling firms to develop and expand. These organizations could develop a strategic plan to deal with the culture dimension weakness that affects TBSF’s growth.

REFERENCES


