The Impact of Long-Term Orientation and Uncertainty Avoidance on Entrepreneurial Intention: The Moderating Role of Locus of Control

by

Edna Lillian Martínez Magaña

A Thesis Submitted to the Graduate Faculty in Partial Fulfillment of the Requirements for the Degree of

MASTER OF BUSINESS ADMINISTRATION

Major: International Human Resources Development

Advisor: Cheng-Chieh Lu, Ph.D.

National Taiwan Normal University
Taipei, Taiwan
July 2019
ACKNOWLEDGEMENT

The present thesis was accomplished thanks to the assistance of several individuals. Through this opportunity, I would like to communicate my enormous and most sincere gratitude to the ones who assisted me in this laborious process, especially to the participants who filled and forwarded the survey.

Most importantly, to show the great appreciation I have to my advisor, Dr. Cheng-Chieh Lu, without his advice and revision of my progress, the accomplishment of this process would have not been possible. Every time that I encounter problems regarding the redaction of this thesis and most specifically, the statistical analysis, you played the most crucial role in helping me go through it. Thanks to my advisor for sharing his knowledge and expertise for this study.

Also, I would like to thank my committee members, Dr. Pai-Po Lee and Dr. Vera Chang, for their patience through this process and for their professional guidance to increase the quality of my work. Both of you provided me with valuable advice for my thesis that gave me a clear direction to follow.

Lastly, thanks to my family and my closest friends who played a crucial role in guiding me through the whole process of obtaining my Master Degree. Their support by encouraging me every day to follow my dreams and their guidance through love and comprehension is what kept me going day by day. I am grateful for the emotional support provided by every one of you.
ABSTRACT

The on-going increase of global wealth has been linked to entrepreneurial activities since the concept is related to innovation, creativity, and business opportunities regarding new products, services, strategies, and job creation. The need for understanding and identifying the roots of Entrepreneurial Behavior has become vital for its promotion in the business world. The purposes of this study were to determine if cultural values at an individual level, such as Long-term Orientation and Uncertainty Avoidance are related to Entrepreneurial Intentions. As the TPB establishes, intention is the first step towards entrepreneurial behavior, hence the importance to discover what motivates a person to manifest intentions to adopt an entrepreneurial behavior. Also, we examined the role of Locus of Control as a moderating effect in the potential relationship between the mentioned independent variables. The targeted population in this study were 170 Hondurans employees or students within an age of 18-49 years. It adopted a quantitative approach utilizing an online survey for the process of data collection which were analyzed in a descriptive, correlative, and hierarchical regression method though the IBM SPSS program. It was found that Long-Term Orientation is positively related to Entrepreneurial Intention. Likewise, Uncertainty Avoidance has a significant negative relation with Entrepreneurial Intention. On the other hand, Locus of Control did not show a significant moderating effect in the relationship among the independent and dependent variables.

Keywords: Entrepreneurial Intentions, Long-Term Orientation, Uncertainty Avoidance, Locus of Control
# TABLE OF CONTENTS

ACKNOWLEDGMENT

ABSTRACT ......................................................................................................................... I

TABLE OF CONTENTS ........................................................................................................ II

LIST OF TABLES ................................................................................................................ IV

LIST OF FIGURES .............................................................................................................. V

CHAPTER I INTRODUCTION ............................................................................................. 1
  Background of the Study ..................................................................................................... 1
  Problem Statement ............................................................................................................. 4
  Purpose of the Study .......................................................................................................... 5
  Research Questions .......................................................................................................... 5
  Study Significance ............................................................................................................ 6
  Definition of Terms ......................................................................................................... 7
  Delimitations .................................................................................................................... 9

CHAPTER II LITERATURE REVIEW .................................................................................. 11
  Long-Term Orientation (LTO) ......................................................................................... 11
  Entrepreneurial Intention (EI) ......................................................................................... 13
  Long-Term Orientation and Entrepreneurial Intentions ................................................... 14
  Uncertainty Avoidance (UA) ............................................................................................ 14
  Uncertainty Avoidance and Entrepreneurial Intentions .................................................... 16
  Locus of Control and Its Moderating Effect ...................................................................... 17

CHAPTER III METHODOLOGY .......................................................................................... 21
  Research Framework ....................................................................................................... 21
  Research Procedure ......................................................................................................... 22
  Research Hypotheses ....................................................................................................... 24
  Research Sample ............................................................................................................ 24
  Data Collection ................................................................................................................ 25
  Measurement .................................................................................................................... 25
Validity and Reliability.................................................................................................................. 31
Data Analysis.................................................................................................................................. 34

CHAPTER IV RESULTS AND DISCUSSION .............................................................................. 35
  Reliability..................................................................................................................................... 35
  Descriptive Analysis..................................................................................................................... 36
  Correlation Analysis.................................................................................................................... 38
  Regression Analysis..................................................................................................................... 39
  Summary and Discussion............................................................................................................. 42

CHAPTER V CONCLUSIONS AND SUGGESTIONS .................................................................. 45
  Conclusions................................................................................................................................. 45
  Practical Implications of the Study............................................................................................... 47
  Research Limitations .................................................................................................................... 48
  Suggestions for Future Study......................................................................................................... 48

REFERENCES ................................................................................................................................. 49

APPENDIX: QUESTIONNAIRE ...................................................................................................... 56
LIST OF TABLES

Table 3.1. Long-Term Orientation Measurement .................................................................26
Table 3.2. Uncertainty Avoidance Measurement ...............................................................27
Table 3.3. Entrepreneurial Intention Measurement ...........................................................28
Table 3.4. Locus of Control Measurement ..........................................................................29
Table 3.5. Reliability for Each Variable in the Present Study (N=50). ............................31
Table 3.6. Four Factor Measurement Model Fit Summary (N=170) .................................32
Table 4.1. Reliability for Each Variable (N=170) ............................................................35
Table 4.2. Participants Demographic Statistics (N=170). .................................................37
Table 4.3. Mean, Standard Deviation, Correlations, and Reliability Coefficients among variables (N=170) ..............................................................................38
Table 4.4. Result of Hierarchical Regression Analysis for Moderating Effect of Internal Locus of Control on the Relationship between Long-Term Orientation and Entrepreneurial Intention (N=170) ................................................................................40
Table 4.5. Result of Hierarchical Regression Analysis of Uncertainty Avoidance and Entrepreneurial Intention, External Locus of Control as Moderator (N=170). ..............................41
Table 5.1. Hypothesis Testing Results Summary ..............................................................45
LIST OF FIGURES

Figure 3.1. Theoretical Framework .................................................22
Figure 3.2. Research Procedure .......................................................23
Figure 3.3. Four Factor Measurement Model .......................................33
CHAPTER I INTRODUCTION

The following chapter introduces the background, problem statement, purpose, selected research questions, significance, and the definition of the utilized variables and the delimitations of the study.

Background of the Study

Entrepreneurial Behavior has become a topic of highly interest among researchers since the concept encloses several engrossing factors, such as personality traits, attitudes, and cultural characteristics that determine and influence human behavior, and consequently, society. (Bacqa & Alt, 2018; Galvão, Marques, & Peixeira, 2018; Naktiyok, Karabey, & Gulluce, 2009; Hansemark, 1998). The study and comprehension of entrepreneurship are crucial because it assists in a country's economic growth and development. According to Martinez, Garcia, and Duarte (2018), Entrepreneurial Behavior generates professional opportunities, therefore reduces unemployment. Also, an Entrepreneurial activity can stimulate regional development, economic growth and it promotes innovation (Acs & Storey, 2004; Birch, 1981; Morris, 1998; Proter, 2000; Raynolds, 2001; Reynolds, Storey, & Westhead, 1994; Sutatia & Hicks, 2004). In other words, Entrepreneurial activities can solve social problems by implementing innovative and proactive solutions. Consequently, impulse a country's position in the global market (Pandit, Joshi, & Tiwari, 2018). Therefore, studying entrepreneurial actions and behaviors is beneficial not only for an organizational-level innovation and performance but also for social-level and individual-level well-being and development.

For what was previously mentioned, the selected target sample is the country of Honduras. Honduras is located in Central America, and is a nation with a population of 9.1 million people were more than the 67% of the them lives below the national poverty line (Meyer, 2019). The purpose of selecting the mentioned country is to assist its economic growth and in the resolution of its current social issues.

As mentioned before, several elements lead to Entrepreneurship. Numerous authors have developed and adopted different theories to explain Entrepreneurship Behavior. For example, The Entrepreneurial Event Model (EEM), The Theory of Planned Behavior (TPB), and Davidsson's
Model are commonly used in the literature. These theories suggested that Entrepreneurship can be influenced and predicted by different factors.

Shapero (1982) introduced the Theory of Entrepreneurial Event Model (EEM). This theory established that the decision to start a new business depends on the perception of desirability and feasibility, and the tendency to take action. On the other hand, Ajzen’s (1991) Theory of Planned Behavior was one of the most used theories that explain Entrepreneurial Intention and Behavior; this theory suggested the people’s intention toward Entrepreneurial Behavior is the determinant of their actual Entrepreneurial Behavior. Moreover, Davidsson's Model (1995) indicated that Entrepreneurial Intentions could be influenced by a person’s prevailing attitudes and by the current experienced situations (Pandit et al., 2018). The Intention Models stated that Entrepreneurial Intention sources are individual motivational factors that are perceived by the social environment and personal abilities (Martinez et al., 2018).

In this research, it is considered the concept of Entrepreneurship as two elements: Entrepreneurial Intention and Entrepreneurial Behavior but focused on studying only Entrepreneurial Intention. Galvão et al. (2018) stated that intentions: "Are indicators of how hard people are willing to try [and] of how much an effort they are planning to exert, in order to perform [...] a behavior" (p. 7). The engagement of any behavior will depend on the level of the individual’s intention to adopt that behavior (Mwiya et al., 2018). Therefore, studying an individual’s Entrepreneurial Intention is a practical and reliable approach to predict their Entrepreneurial Behaviors.

Recognizing the importance of Entrepreneurial activities for the firm’s success and performance aim a large number of researchers to identify important factors that foster/inhibit Entrepreneurial Intention and Behavior. Scholars have argued that personality and cultural characteristics such as Long-Term Orientation and Uncertainty Avoidance explain Entrepreneurial Intentions and consequently, Entrepreneurial Behavior. According to Boyd and Vozikis (1994), the relationship between intent and action depends on personal factors such as knowledge, environmental, cultural, and social factors. Some authors demonstrated that a country's social and cultural values have a significant impact on an entrepreneur's motivations (Huertas, Valantine, Crespo, Perez, & Calabuig, 2009). Mueller and Thomas (2001) noted that social norms and cultural values are forces that determine human behavior; since both are acquired very early in life, which results in behavior patterns being consistent to culture and time. Soares, Farhanmehr and Shoham
(2007) stated that: “Culture provides a collectively held set of costumes and meanings, many of which are internalized by the person, becoming part of personality and influencing transactions with the social and physical environment” (p. 282). Huertas et al. (2018) also pointed out that “cultural values determine the degree to which society views entrepreneurship as an attractive or unattractive professional outlet” (p. 3).

With Hofstede's (1984) introduction of the different cultural dimensions, the relationship between Long-term Orientation and Uncertainty Avoidance with Entrepreneurial Intention has been highlighted. Among those cultural dimensions, two of them might be importantly associated with a person’s Entrepreneurial Intention, which is Long-Term Orientation and Uncertainty Avoidance.

According to Bearden, Money, and Nevins (2011), Long-Term Orientation refers to:

The cultural value of viewing time holistically, valuing both the past and the future rather than deeming actions important only for their effects in the here and now or the short term. As such, individuals scoring high in LTO value planning, tradition, hard work for the future benefit, and perseverance. (p.457)

Whereas Uncertainty Avoidance is defined as the “extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations” (Hofstede & McCrae, 2004, p.62). In the literature, there are very few researches studying the associations between Cultural Values and Entrepreneurial Intention. In other words, there is slight research attention paid on investigating whether Long-Term Orientation and Uncertainty Avoidance are essential predictors of people’s Entrepreneurial Intention. Therefore, there is an urgent need to address this gap. It must be said that both variables are evaluated on an individual level.

On the other hand, Hofstede and McCrae (2004) concluded that individual personality traits are factors that characterize human beings and that those characteristics tend to transcend culture. In line with logic, personality traits would describe how people think and behave, which implicitly suggests that the level of one’s intention to go Entrepreneurial might be determined by individual personality traits. Locus of Control refers to someone’s belief in their outcome’s origins; An individual who believes that outcomes are a result of their actions have an internal locus; if they believe that outcomes are the product of external situations, such as chance, they are considered to have an external locus (Rosique, Madrid, & Garcia, 2017). This personality trait might be critically associated with a person’s Entrepreneurial Intention.
According to Hansemark (1998), Locus of Control: “Have shown a significant relation to entrepreneurship across several studies” (p. 29). Several studies have identified Locus of Control as one of the chief characteristics of Entrepreneurs; they highlighted that most business founders possess Internal Locus of Control compared to non-founders (Begley & Boyd, 1987; Brockhaus, 1980; Durand & Shea, 1974; Hansemark, 1998; Venkataphy, 1984). Although the influence of Locus of Control on entrepreneurship is not a new subject in the literature, most of the prior studies focused on the direct effect of Locus of Control while minimal research paid attention to the moderation effect of Locus of Control. Therefore, more research effort on the moderating role of this variable is necessary since Locus of control is a Personality Trait that according to its definition, can drive or influence individual behavior.

**Problem Statement**

To understand and promote Entrepreneurial Behavior, it is necessary to identify what motivates that behavior, which personality trait and what cultural dimensions are more related to the concept. As established before, Entrepreneurial Intention is the beginning stage of Entrepreneurial Behavior (Tuğba, 2016). Although, different studies prove that cultural characteristics and personality traits determine the intention and decision of becoming an entrepreneur, internalized values that are important for one person may not be relevant to another individual. Apart from that, perception and attitudes influence human behavior.

Additionally, to the author's knowledge, few studies in the literature have examined the effect of the selected cultural and personality variables at an individual level to explain its impact on Entrepreneurial Intention. The selected sample for this study were Hondurans to understand their cultural and personal characteristics that might influence their intentions to create a firm. According to ECLAC (2017), Honduras has one of the highest poverty rates among some Latin-American countries; Honduras poverty rate is of 67.4%, meaning that more than half of the population does not earn the minimum wage which is equivalent to $371.49 (Ministry of Labor and Social Security, 2018). Likewise, The World Bank Group (2016) stated that one out of five Hondurans lives in extreme poverty with a daily earning of $1.90. Also, according to Trading Economics (2017), Honduras Unemployment Rate was of 6.70%. According to Ozaralli and Rivenburgh (2016), governments from underdeveloped countries can see entrepreneurship as a strategy to stimulate economic and political growth and decrease serious challenges. For the
mentioned facts and statistics, it is crucial that Honduras place Entrepreneurial education at a higher level of importance since entrepreneurial behavior could assist in the eradication of current social and economic issues.

**Purpose of the Study**

The research was conducted to identify how the personality trait of Locus of Control and Cultural Values at an individual level such as Long-Term Orientation and Uncertainty Avoidance, relates with Entrepreneurial Intention.

Specifically, this study has four primary purposes: First, to examine the influence of Long-Term Orientation on Entrepreneurial Intention. Second, to examine the influence of Uncertainty Avoidance on Entrepreneurial Intention. Third, to examine the moderating effect of Locus of Control on the relationship between Long-Term Orientation and Entrepreneurial Intention. Fourth, to examine the moderating effect of Locus of Control on the relationship between Uncertainty Avoidance and Entrepreneurial Intention.

**Research Questions**

The present study was determined to answer the following questions:

- Is Long-Term Orientation related to Entrepreneurial Intention?
- Is Uncertainty Avoidance related to Entrepreneurial Intention?
- Does the Internal Locus of Control strengthen or weaken the relationship between Long-Term Orientation and Entrepreneurial Intention?
- Does the External Locus of Control strengthen or weaken the relationship between Uncertainty Avoidance and Entrepreneurial Intention?
Study Significance

Various studies focused on only one sector that influences an individual's Entrepreneurial Intention: Attitude, Cultural Characteristics, or Personality Traits. For an excellent understanding of Entrepreneurial Intention, the author introduced variables from two different sectors: Cultural Characteristics and Personality Traits. The implementation of those sectors was aimed to contribute with advanced and authentic literature, which could have practical implications in the promotion of characteristics that influence Entrepreneurial Intention; hence, Entrepreneurial Behavior.

The comprehension of Entrepreneurial Intention can assist any country, especially undeveloped ones, in the promotion of Entrepreneurial characteristics to solve problems innovatively. The creation of new ventures can increase the development of economy and wealth; employ the population with the creation of new job positions; hence, satisfaction and well-being of the community.

For Entrepreneurial Behavior promotion, it is necessary to identify and understand its sources, and then provide a positive connotation to society. Investigating the elements that drive Entrepreneurial Intention is crucial to promote Entrepreneurial Behavior. As mention before, Entrepreneurship is an essential role that assists a country's development. Following Mueller and Thomas (2001), "Entrepreneurial ventures are often seen as incubators for product and market innovation" (p. 52).

Since becoming an Entrepreneur is a conscious decision influenced by several elements, it is essential to understand which and how factors affect the mentioned process. The understanding of the process might assist in the creation of social and educational strategies to implement solutions: provide employment, workforce and business development, wealth creation, the satisfaction of individual needs and innovation.

Apart from that, the investigation regarding the variables Long-Term Orientation, Uncertainty Avoidance, and Locus of Control aimed to fulfill the gap of knowledge between the mentioned variables and contribute in a crucial way to the literature regarding the explanation of Entrepreneurial Intentions and the promotion of Entrepreneurial Behavior.
Definition of Terms

Long-Term Orientation

According to different research discoveries, societies that are driven by LTO manifest values such as perseverance and determination. Short-Term Orientation is related to traditional cultural values and the fulfillment of social obligations (Hofstede & McCrae, 2004).

This study defined LTO as: "The fostering of virtues oriented towards future rewards, in particular perseverance and thrift" On the counterpart, Short-Term Orientation is defined as: "the fostering of virtues related to the past and the present, in particular, respect for tradition, preservation of face and fulfilling social obligations" (Arli & Tjiptono, 2013, p. 19). Hofstede and Minkov (2010) explained that: "long-term-oriented cultures, main work values are learning, honesty, adaptiveness, accountability, and self-discipline. In short-term-oriented cultures, main work values are freedom, rights, achievement, and thinking for oneself" (p. 497).

Entrepreneurial Intention

Bullough, Renko, and Myatt (2013) established that a person’s intention could predict their behaviors, and so the creation process of a new venture initiates with the intent to start a business. They describe: "Entrepreneurial intent as a cognitive state: a self-acknowledged decision by a person that they aim to set up and own a business venture" (p.476). People with this characteristic are determined to gather the required resources to achieve their goal, which is creating their ventures (Tuğba, 2016). By the TPB and the authors Liñán and Chen (2009), Entrepreneurial Intentions are the first step to perform an Entrepreneurial Activity. As the traditional definition of the study, Entrepreneurial Intention represents: "the effort that the person will make to carry out that entrepreneurial behavior" (Liñán & Chen, 2009, p. 596).

Uncertainty Avoidance

The concept of Uncertainty Avoidance encompasses the tolerance for ambiguity, indicating if members of a specific society feel comfortable or uncomfortable in unfamiliar or disorganized situations. Members of communities with a high level of uncertainty avoidance try to live only in conditions with known and defined rules to feel secure. On the other hand, members of a society with a low level of uncertainty avoidance feel comfortable in a situation with few regulations and,
they are tolerant of different opinions. Following Hofstede (2001) statements, the definition of Uncertainty Avoidance in this study was: "The extent to which the members of a culture feel threatened by uncertain or unknown situations" (Jung & Kellaris, 2004, p.743). In other words, Uncertainty Avoidance determines the importance that individuals assign to social norms and stability (Naktiyok et al., 2009).

**Locus of Control**

Mueller and Thomas (2001) explained that the concept of Locus of Control deals with how perceived control influences on human behavior. A person with Internal Locus of Control believes that personal efforts, skills, and practices influence the outcomes. On the opposite side, a person with External Locus of Control thinks that environmental forces determine the possible outcomes; they perceive that results are out of their capabilities (Rotter, 1966).

This utilized definition of LOC in this study is the one stated by Rotter (1966), which described if a person perceives an outcome is the result of luck, fate or convincing others surrounding him more than results of actions of his own, this belief is label as external control. On the other hand, if a person perceives an event is the result of his behavior or his relative permanent characteristics, this is a belief label as an internal control (Lumpkin, 1985).
Delimitations

As mentioned before, different components determine an individual's intention. However, it is unclear to date all the related components and their level of influence in that variable.

This study is delimited to only investigate a few elements that relate to Entrepreneurial Intention and consequently leads to adopting Entrepreneurial Behavior, such as the Cultural Values of Long-Term Orientation and Uncertainty Avoidance at an individual level and Locus of Control as a Personality Trait. The study is delimited to individuals with a Honduran Nationality, but not individuals with other nationalities. This study is also delimited to the utilization of survey method as well as close-ended questions, but not use other research instruments and question format to collect the data. In addition, using a survey with close-ended questions makes researchers unable to explore the full picture of participants’ experiences. These delimitations result in some limitations that are explained in Chapter V – Conclusions and Suggestions.
CHAPTER II LITERATURE REVIEW

The following segments introduce the definition of the selected variables for this study. Besides, the author states the relationship between those variables. Two cultural values reported by Hofstede function as independent variables, Long-Term Orientation, and Uncertainty Avoidance; Entrepreneurial Intention was utilized as the dependent variable; and finally, the selected moderator in the relationship between Dependent and Independent variables was the personality trait of Locus of Control.

**Long-Term Orientation (LTO)**

Hofstede and McCrae (2004) created the concept of Long-Term and Short-Term Orientation. The roots of this concept were based in Confucius's Teachings. Those included the following elements: Unequal status relationships determine society stability, Family is a model of all social organizations, and life goals should be trying to acquire skills, knowledge, be patient and give the best in every situation (Hofstede & Minkov, 2010). As mentioned before, culture and personality traits are factors that influence the behavior, perception, and a person's values. Hofstede (2004) defined culture as "The collective programming of the mind that distinguishes one group or category from another" (p. 580). Similarly, Lim, Leung, Sia, and Lee (2004) national culture was defined as "The values, beliefs, and assumptions learned in early childhood that distinguishes one group of people from another" (p.546). This study evaluated the two cultural dimensions at an individual level. Oyserman, Kemmelmeier, and Coon (2002) articulated that individual-level approaches regarding cultural aspects assume that part of the cultural characteristics is expressed as mental representations in an individual. In other words, culture is treated as a set of individual values, attitudes, and norms that influences a person's motivation and perception (Lim et al., 2004).

For a better comprehension of Long-Term Orientation, it is necessary to explain the term of Time Orientation. According to Bearden et al. (2011), every member of society evaluates Time Orientation differently; this concept influences several aspects of an individual's life. It is about how a person assesses a situation regarding succession and duration and how they value the past, present, and future. Time Orientation is related with Hofstede’s cultural dimension of Long-Term
Orientation, which was "(...) the degree to which one plans for and considers the future, as well as values traditions of the past" (Nevins, Bearden, & Money, 2007, p. 261).

This study defined LTO as: "The fostering of virtues oriented towards future rewards, in particular perseverance and thrift" On the counterpart, Short-Term Orientation is defined as: "the fostering of virtues related to the past and the present, in particular, respect for tradition, preservation of face and fulfilling social obligations" (Arli & Tjiptono, 2013, p. 19). Individuals with a higher Long-Term Orientation adopt perseverance, planning, and hard work in the present to obtain a future reward. LTO states two main characteristics: considerations and plans for the upcoming future and respect towards traditions (Nevins et al., 2007). On the other hand, short-term oriented countries focus on immediate stability and income (Park & Lemaire, 2001).

As Minkov and Hofstede (2012) stated, LTO is an accurate predictor of national achievement, especially regarding economic growth, which is why the study of this variable is essential. According to Park and Lemaire (2011) findings, LTO has a positive impact on life insurance demand, which is commonly related to economic, financial, and cultural variables. Also, the overall demand for life insurance is correlated to the wealth of a country. In accordance with Hofstede (2001), individuals that are driven by LTO focus on developing social relationships and market positions, meaning that business interpersonal and family relations provide them with a high level of satisfaction. In contrast, individuals driven by Short-Term Orientation tend to focus on short-term results regarding human relations (Alves et al., 2006).

Several authors identify LTO as one of the most critical cultural dimensions regarding the adoption of business behavior (Buck, Liu, & Ott, 2010). Hofstede (2001) stated, “Business in long-term oriented cultures are accustomed to working toward building up strong positions in their markets” (p. 225). Also, according to Wangi and Bansal (2012), a firm that has LTO experiences different benefits compared to a firm with a short-term orientation. For example, LTO “widens the firm’s field of vision, which enables the firm to recognize the potential of CSR investments” (p. 1139). Consequently, those firms with LTO tend to implement technology that will emphasize an on-going innovation process and encourage the development of strategic resources. Also, Ryu, Park, and Min (2007) established LTO as an increasingly significant variable that influence a firm’s competitiveness relating it with a more trustful relationship between a firm and its clients since “LTO is defined as a manufacturer’s willingness to make short-term sacrifices to realize long-term benefits from the relationship with its supplier” (p. 1226).
Entrepreneurial Intention (EI)

Different authors establish that social conditions and personal characteristics influence a person's decision of behaving in a specific way, for example pursuing entrepreneurial activities (Roy & Das, 2017). Entrepreneurial Behavior enhances the discovery and acquisition of resources, the comprehension and exhaustive search of information, and finally, the discovery of opportunities to implement new business. Despite that, to perform an act or undertake any behavior, an intention must first exist (Contreras et al., 2017). According to Bird (1988): "Intentionality is a state of mind directing a person's attention (and therefore experience and action) toward a specific object (goal) or a path in order to achieve something (means)" (p.442). Bacqa and Alt (2018) mention that starting a business with the intent of pursuing a social delegation can be understood as Entrepreneurial Intentions.

Entrepreneurial Intention is considered one of the most relevant variables to explain and predict Entrepreneurial Behavior (Do & Dadvari, 2017; Krueger & Carrud, 1993). The concept of Entrepreneurial Intention is a state of mind the drives a person's attention and experience towards planned Entrepreneurial Behavior (Do & Dadvari, 2017). This concept is defined by many authors as: "A connection or intention of an individual to start his/her business undertaking" (Sekhar, Patwardhan, & Vyas, 2017, p.87). In the present study, Entrepreneurial Intention represents: "the effort that the person will make to carry out that entrepreneurial behavior" (Liñán & Chen, 2009, p. 596).

Some of the most cited characteristics of social entrepreneurs are innovativeness, achievement centered, tolerance for ambiguity, and value for creation. It is considered that Entrepreneurs are committed to serve human needs and to improve society’s life quality (Hwee & Shamuganathan, 2010). Also, it is considered that proactive personality is an important variable that determines individual organizational results, meaning that proactive individuals have a higher motivation of adopting entrepreneurial behavior or becoming self-employed (Gupta & Bhawe, 2007). Crant (1996) stated that people with proactive personalities, such as entrepreneurs, identify opportunities and demonstrate initiative to take action. As well, they persevere until they accomplish the primary goal or until they achieve a meaningful change. Now, entrepreneurial activities can support a firm by providing an on-going process of value creation, and this provides a competitive advantage to the firm. (Gupta, MacMillan, & Surie, 2004).
Long-Term Orientation and Entrepreneurial Intentions

As the Theory of Planned Behavior (TPB) explained, different antecedents can affect intentions. First, the attitude or believes regarding the desired behavior, which different authors established that are influenced by the individual's context or culture; Second, the feeling of viability towards the action; Third, the immediate environment approval or disapproval regarding the creation of a company is also considered (Rosique, Madrid, & Perez, 2017). McClelland (1961) mentioned that individuals with Entrepreneurial Intentions tend to set long-term goals and reach those established goals through their efforts. (Karimi et al., 2017).

As established before, LTO is a national predictor of social and business growth; since people with a high level of LTO focus on developing social relationships and strong market positions, they also make plans for upcoming futures. In addition, they make short-term sacrifices to obtain long-term benefits. The author thought that the adoption of LTO relates to Entrepreneurial Intentions since individuals with these characteristics are capable of identifying potential resources for business creation and take advantage of those resources. Also, they demonstrate a higher motivation in adopting innovative behaviors to achieve meaningful changes.

Several cross-cultural studies showed that Entrepreneurial intention and LTO varies across countries, especially between develop and undeveloped ones. (Karimi et al., 2017; Lakovleva, Kolvereid, & Stephan, 2011; Schlaegel & Koenig, 2014). Since actions made by individuals are a result of their personality traits and external conditions, such as their culture, the first assumption is proposed:

**H1:** Long-Term Orientation is related to Entrepreneurial Intention.

Uncertainty Avoidance (UA)

According to Shirokova, Osiyevskyy, and Botatyreva (2016), involvement in entrepreneurial activities is more constant in some cultures than others. (Lee & Peterson, 2000). In general, the link between Entrepreneurial Intention and Entrepreneurial Behavior is stronger within individuals that were raised in societies that promote entrepreneurship (Shirokova et al., 2016). However, Patterson, Cowley, and Prasongsukarn (2006) evaluated that persons in every country tend to perceive and internalize values and beliefs different from those known as traditional within the nation (Kwok & Uncles, 2005). As Roy and Das (2017) mentioned, personality traits and cultural
factors influence human behavior. Since creating a new firm is a complicated process influenced by different factors, this study evaluated the level of Uncertainty Avoidance at an individual level, taking in different consideration stimulus by stating a cultural dimension as an individual characteristic that is motivated by a person's surroundings because it might have a high impact on Entrepreneurial Intentions.

Do and Dadvari (2017) stated that: "A person who has a high tolerance for ambiguity is one who finds ambiguity situation challenging and who strives to overcome the unstable and unpredictable situation to perform well" (p.187). UA is related to neuroticism, meaning that a person with high uncertainty avoidance tends to be driven by nervous energy, which results in the expression of emotional behavior. The opposite side is influenced by the kindness and emotional equilibrium regarding their adopted behaviors (Hofstede & McCrae, 2004).

Following Hofstede (2001) statements, the definition of Uncertainty Avoidance in this study was: "The extent to which the members of a culture feel threatened by uncertain or unknown situations" (Jung & Kellaris, 2004, p.743). The concept states the level of threat that people feel towards ambiguous or unstructured situations. The need for reducing ambiguity and the desire to experience only predictable situations are related to a high level of Uncertainty Avoidance. On the other hand, the tendency of adopting risk-taking behavior is related to Low Uncertainty Avoidance (Patterson et al., 2006). Stewart, Carland, Carland, Watson and Sweo (2003) followed Hofstede (1980) statement: "People in high Uncertainty Avoidance cultures focus on stability and security, whereas low Uncertainty Avoidance cultures tend to demonstrate higher achievement motivation, more risk-taking, and more tolerance of unstructured, ambiguous" (p. 32). However, Uncertainty Avoidance should not be considered the same as Risk Avoidance since UA does not refer to the degree to which an individual will assume or avoid risks; instead, it indicates the degree to which a person prefers to understand the situation requirements (Zhang & Zhou, 2014). Uncertainty Avoidance is related to some leadership characteristics such as decision-making, communication style, and a process of resources recognition. According to Offermann and Hellmann (1997), if an individual’s perception of ambiguity or unstructured situations is positive or negative, this influence an individual’s decision-making process.

Consequently, Duronto, Nishida, and Nakayama (2005), stated that communication is a potential situation of unfamiliarity or uncertainty and individual with a high UA will perceive communication as a negative situation and will avoid interacting with other people. Also, literature
arguments that UA is an indicator of individual perception of elements that determine threats and opportunities (Barr & Glynn, 2004), which influences the process of resources recognition and decision making in entrepreneurial situations. A high level of UA negatively influences managerial performance because UA is suggestive of change resistance. “Executives who maintain low tolerance for conditions other than predictable, certain context are likely to shy away from rendering action which alters their environment” (Geletkanycz, 1997, p. 620). In other words, managers with high UA might be resistant to innovation, and nowadays it is known that innovation might lead to value creation in a firm, and that plays an essential role in international business success (Lee, Garbarino, & Lerman, 2007).

**Uncertainty Avoidance and Entrepreneurial Intentions**

The concept of Uncertainty Avoidance is related to Entrepreneurial Intentions since one of the most known characteristics among Entrepreneurs is being able to take risks. Correspondingly, a risk is a situation of uncertainty because it is expressed in a proportion of possibilities and to some extent, an insurable condition (Wennekers, Thurik, Stel, & Noorderhaven, 2007). For instance, the process of creating a new service or a new organization involves confronting a high amount of uncertainty (Lee & Peterson, 2000). As stated by Wennekers et al. (2007), a low level of Uncertainty Avoidance is an important characteristic that Entrepreneurs have because they cannot be sure of the outcomes derivations in establishing a new venture. Different studies showed that UA is a predominant characteristic of entrepreneurs compared to other individuals with different occupations (McGrath, MacMillan, & Scheinberg, 1992; Stewart et al., 2003).

Referring to entrepreneurial behavior is establishing that an individual is inclined to take business-related risks, to embrace innovation and consequently obtain competitive advantage (Gupta et al., 2004). Besides, entrepreneurs are characterized by the desire of creating exciting and new jobs, creativeness, and challenging themselves (Cho & Wong, 2006). The mentioned characteristics are related to low UA since they imply embracing unstructured situations. “Since risk and uncertainty are part of entrepreneurial endeavors, entrepreneurs are frequently required to make decisions with insufficient information, which creates ambiguity. Therefore, they must have tolerance for ambiguity” (Gurel, Altinay, & Daniele, 2010, p. 652).

Likewise, Lee and Peterson (2000) stated:
Thinking about starting a new business ventures means confronting a great deal of uncertainty. Moreover, in the development of new ideas, entrepreneurs have to make their own decisions in settings where there are few, if any, historical trends, and relatively little direct information. (p.404)

For that reason, the author proposed the second assumption:

**H2:** Uncertainty Avoidance is related to Entrepreneurial Intention.

**Locus of Control and Its Moderating Effect**

The authors Rotter and Mulry (1965) created the concept of Locus of Control (LOC). It was mainly utilized to argue that an individual's behavior is driven primarily by observation and imitation, but later in life it is modified depending if the adopted behavior has a negative or positive consequence (reward and punishment), this is the central statement of the Theory of Social Learning (Contreras et al., 2017). In other words, the Social Learning Theory focused on an individual determined behavior driven by instinctual motives (Rotter, 1966). On the other hand, The Theory of Planned Behavior by Ajzen (1985), explained that perceived control and internalized social norms influence the intention to adopt or perform a specific behavior (Naushad & Malik, 2018).

According to Karimi et al. (2017), Locus of Control refers to: "The degree to which an individual generally perceives events to be under their control (Internal Locus) or in control of powerful others (External Locus)" (p. 203). The term Locus of Control divides society into two groups, those with Internal Locus and those with External Locus. Individuals with a higher LOC experience a high level of self-efficacy, meaning that they tend to achieve their goals with their efforts and personal abilities. In the opposite side, individuals with lower LOC believe that external factors, such as God or influential persons, control their outcomes. Also, a high External Locus causes fear towards failure, and that results in a low initiative and risk aversion towards unstructured situations (Roy & Das, 2017). Locus of Control is a term used in several studies as a psychological characteristic; it is defined as the belief a person success depends entirely in their actions and not external forces (Luthans & Ibrayeva, 2006; Naushad & Malik, 2018). According to Contreras et al. (2017), Locus of Control is the most common personality trait associated with Entrepreneurial Intentions (Turkina & Thanh, 2015).
According to Hansemark (1998), human behavior theories stated that: People will attribute the reason to why something happens, either to themselves or the external environment. Those who appear to have control over occurrences have an Internal Locus of Control, referred to as Internal. People who seem to think the control over what happens relies on external forces have an External Locus of Control and will be referred to as external. (p. 35)

The literature suggests that the inclination towards risk (Rohrmann, 1997) and an Internal Locus of Control (Schjoedt & Shaver, 2012) are related with Entrepreneurial Characteristics (Rosique et al., 2017). Several studies findings mentioned that Entrepreneurial Intention is related to personal belief in the ability to exert control in a social context (Contreras et al., 2017).

The utilized definition of LOC in this study is the one stated by Rotter (1966), which described if a person perceives an outcome is the result of luck, fate or convincing others surrounding him more than results of actions of his own, this belief is label as external control. On the other hand, if a person perceives an event is the result of his behavior or his relative permanent characteristics, this is a belief label as an internal control (Lumpkin, 1985).

The Theory of Planned Behavior by Azjen (1985), explained that perceived control and internalized social norms influence the intention to adopt or perform a specific behavior (Naushad & Malik, 2018). Azjen (1991) confirmed that 50 percent of intention deviations are explained by attitudes, which influence 30 percent of the behavior variance. Fishbein and Azjen (2010) findings stated that the formation of intentions is influenced by the definition process of an individual’s beliefs, which are controlled by their environment. Also, Individuals focused on achieving long-term goals have a higher motivation to overcome uncertainty or unexpected interferences since the perceived direct control over the outcomes is identified as an intrinsic reward (Roy & Das, 2017). Likewise, Karimi at al. (2017) mentioned that individuals with low confidence of controlling their surroundings tend to avoid entrepreneurial activities or the risk of creating a new firm (Mueller & Thomas, 2001). Do, and Dadvari (2017) explained that Personality Traits could be considered as a motivator towards Entrepreneurial intention (Shane, Locke, & Collins, 2003), stating that Locus of Control, Risk-Behavior and the desire of achieving established goals are elements that predict Entrepreneurial Intentions. Also, Ahmed (1985) proved that the main difference between entrepreneurs and non-entrepreneurs are cultural values, personality traits such as LOC, inclination
towards risks, and the desire for achieving long-term outcomes. Those are factors that motivate entrepreneurs in the creation process of a new venture (Lynn, 1969; McClelland, 1961).

Following Thomas, Sorensen, and Eby (2006), people desire control over each situation of their lives. In simple words, control over the external environment can be considered as an intrinsic human need since it is psychologically beneficial. Regarding the relationship between LOC and motivation, the mentioned authors stated that “the psychological need for self-determination and competence are the basic intrinsic motivation” (p. 1060). That means that individuals with an internal Locus of Control perceived themselves as choice-making agents who are competent in maintaining control over their context, and that leads to a stronger need of self-determination to achieve any goal. In accordance to Milton (1989), entrepreneurs are those “who have certain psychological characteristics such as commitment to their work, a need for total control and a linking for uncertainty and challenge” (Ferreira, Raposo, Rodrigues, Dinis, & Paço, 2012, p.426).

Also, personality traits like Locus of Control play an essential role in the process of creating a new business (Karimi et al., 2017). As mentioned by Ahmed (1985), "Risk-Taking propensity and Internal-External Locus of Control seem to have received much attention in entrepreneurial studies" (p. 781). Since the literature attributes importance to cultural and personality factors in the explanation of Entrepreneurial Intention, the author decided to include variables related with an individual's culture, variables that measure a person desire to achieve long-term goals and their willingness to feel comfortable taking risks, and variables related to an individual's personality characteristics.

The general author idea states that to create a new business a person needs to take a chance or go through uncertain situations; this can only be done if the person feels confident about his/her abilities influencing the possibilities of the outcome. Therefore, individuals with an internal locus of control should have a higher level of intention to engage in entrepreneurial activities since they believe the success or failure of their business depends on their own hands. Also, an individual who desires to be part of that process should need accomplishing long-term goals. As such, individuals with a high level of Long-Term Orientation should have an even higher intention to perform entrepreneur activities when they are also high in internal Locus of Control. Investigating characteristics at an individual level is reasonable since those acquired social values are identified regarding culture. Based on the previous statements, the following assumptions are:
**H3**: Internal Locus of Control strengthens the relationship between high Long-Term Orientation and Entrepreneurial Intention.

**H4**: External Locus of Control weakens the relationship between high Uncertainty Avoidance and Entrepreneurial Intention.
CHAPTER III METHODOLOGY

The sub-segment chapter describes the overall process regarding the research framework, the proposed hypotheses, the selected sample, and the respective research instruments. The implemented procedure for data collection and data analysis were also described.

Research Framework

The research framework is congruent with the literature stated in the previous chapters and was developed to sustain the arguments of this study. First, there were two discussed independent variables, Long-Term Orientation (LTO) and Uncertainty Avoidance (UA) which were measured respectively by a scale adapted from Bearden et al. (2006) and a scale adapted from Hofstede (1980) but modified by Jung (2002). Likewise, the instrument used to measure Locus of Control was an instrument from Lumpkin (1985), which was an adaption of Levenson (1974). Finally, Entrepreneurial Intentions was measured by the EIQ suggested in Liñán and Chen (2009).

The study intended to determine and comprehend a potential relationship between the mentioned independent variables, Long-Term Orientation, and Uncertainty Avoidance, with the dependent variable, Entrepreneurial Intention. Likewise, the moderating effect on the relationship among the independent and dependent variables was determined by the personality trait of Locus of Control (LOC). Figure 3.1 described the mentioned associations:
Figure 3.1. Theoretical framework. Long-Term Orientation and Uncertainty Avoidance are the cultural values defined as the independent variables. Entrepreneurial Intention is the dependent variable. The moderator in the relationship between independent and dependent variables is the personality trait denominated Locus of Control.

**Research Procedure**

The following segment includes the taken steps and the description for the development of this study.

**Determine the Research Topic**

After considering trending topics and the author's interests, the research of the literature review regarding the selected variables was made. The main ideas were discussed with the advisor, and the variables of the study were established.

**Establishment of the Research Introduction**

The scrutiny on different academic articles was a crucial element in this study, especially in this phase. After reviewing relevant literature regarding the variables, the research background, problem statement, the purpose, significance, delimitations, and questions of the study were determined.
**Review of Literature**

This phase consisted of an exhaustive review of literature related to the selected variables. The variables background were deeply explained, and the study variables definitions were established.

**Select Measurement Tools**

The utilized scales were carefully reviewed and congruent with the definitions stated in the literature review. Also, the validity and reliability of each scale were attentively revised.

**Data Collection**

The author conducted a quantitative study. The participants were reached by convenience and snowball sampling. The questionnaire consisted of the introducing paragraph, the queries regarding the demographic information and the questions for each variable.

**Analyze the Data**

The statistical software SPSS was utilized to analyze the collected data; descriptive data, correlation, and hierarchical regression analysis were used in this study.

**Results Interpretation**

After finalizing the previous steps, the results and the literature review were discussed to state the findings and finally conclude the study.

*Figure 3.2. Research procedure*
Research Hypotheses

The development of the hypotheses was based on the relevant literature presented in the previous chapters; it was also based on the research questions. The following hypothesis examined the relationship of Long-Term Orientation and Uncertainty Avoidance with Entrepreneurial Intention. In addition, the moderating effect of Locus of Control on the relationship between Long-Term Orientation and Uncertainty Avoidance with Entrepreneurial Intention in Honduran students was investigated.

Hypothesis 1

Long-Term Orientation positively relates to Entrepreneurial Intention.

Hypothesis 2

Uncertainty Avoidance negatively relates to Entrepreneurial Intention.

Hypothesis 3

Internal Locus of Control strengthens the positive relationship between high Long-Term Orientation and Entrepreneurial Intention.

Hypothesis 4

External Locus of Control weakens the negative relationship between high Uncertainty Avoidance and Entrepreneurial Intention.

Research Sample

The selected sample of the present study were Hondurans within an age of 18-49 years, students and workers who lived in their native country for at least 15 years. This requirement was established since the author is testing LTO and UA at an individual level, meaning that is necessary the reach of a population raised in Honduras or that has been a resident for the set period. The sample utilized for the pilot test was of 50 participants and the total population of the main study were 170 participants.
Data Collection

The process of data collection in this study was through an online survey. The complete questionnaire can be found in the Appendix. The mentioned questionnaire consisted of scales that measured the four selected variables, plus the added demographic information questions. At the beginning of the survey, a comprehensible and brief description of the study purpose and criterion of the participants was established. As mentioned before, the targeted population for this study were Honduran students and workers who have been raised in their native country or have lived in Honduras for at least 15 years. Also, a convenience and snowball sampling were utilized for this process. Convenience Sampling is a nonrandom sampling where members of the target population that meet specific criteria, such as easy accessibility to the researcher or the willingness to participate, are included in the study (Etikan, Abubakar, & Sunusi, 2016).

Consequently, snowball sampling is also a nonprobability sampling were the author must identify members of the targeted population and consult them to name other members of the same community to contact more individuals and so forth (Lavrakas, 2008). Therefore, the author posted the questionnaire on Facebook, a social media platform accessible to the targeted population, where it was personally asked to the Hondurans population to fill the questionnaire and forward it. The utilization of a personal network was a crucial instrument to reach participants who were asked to distribute the online questionnaire to other Hondurans residents. It is essential to mention that the criterion and requirements to participate in the study were established at the beginning of the survey. After finalizing the data collection process, the responses were analyzed. The mentioned process is described in the following section.

Measurement

The measurement phase in this study was divided into five parts: Long-Term Orientation, Uncertainty Avoidance, Entrepreneurial Intention, and Locus of Control. In addition, demographic information, such as age, gender, education level, current job tenure, and the period lived in Honduras was also collected. The four main variables consisted of 27 items, plus the demographic questions. The data of the utilized scales and the results of the reliability test are described below.
Long-Term Orientation

The first section included a scale of LTO adopted from Bearden et al. (2006), which included eight items. This variable was measured using a 5-point Likert Scale, where participants responded from 1 (strongly disagree) to 5 (strongly agree). \( \alpha = 0.72 \) (See Table 3.1).

Table 3.1.

Long-Term Orientation Measurement

<table>
<thead>
<tr>
<th>Element</th>
<th>Code</th>
<th>Questionnaire Component</th>
<th>Cronbach Alpha ( \alpha )</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term</td>
<td>LTO1</td>
<td>Respect for tradition is important to me.</td>
<td></td>
<td>Bearden, W., Money, R., and</td>
</tr>
<tr>
<td>Orientation</td>
<td>LTO2</td>
<td>Family heritage is important to me.</td>
<td></td>
<td>Nevins, J. (2006)</td>
</tr>
<tr>
<td></td>
<td>LTO3</td>
<td>I value a strong link to my past.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO4</td>
<td>Traditional values are important to me.</td>
<td>0.72</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO5</td>
<td>I plan for the long term.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO6</td>
<td>I work hard for success in the future.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO7</td>
<td>I do not mind giving up today’s fun for success in the future.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO8</td>
<td>Persistence is important to me.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Uncertainty Avoidance

The implemented scale to measure Uncertainty Avoidance consisted of seven items of 7-point Likert scale (7 = strongly agree; 1 = strongly disagree). These items were based on Hofstede’s (1980) Uncertainty Avoidance definition. However, the instrument was slightly modified by Jung (2002). The reliability was of 0.77 (See Table 3.2).

Table 3.2.
Uncertainty Avoidance Measurement

<table>
<thead>
<tr>
<th>Element</th>
<th>Code</th>
<th>Questionnaire Component</th>
<th>Cronbach Alpha</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertainty</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avoidance</td>
<td>UA1</td>
<td>I prefer structured situations to unstructured situations.</td>
<td>0.77</td>
<td>Hofstede</td>
</tr>
<tr>
<td></td>
<td>UA2</td>
<td>I prefer specific instructions to broad guidelines.</td>
<td></td>
<td>(1980)</td>
</tr>
<tr>
<td></td>
<td>UA3</td>
<td>I tend to get anxious easily when I do not know an outcome.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA4</td>
<td>I feel stressful when I cannot predict consequences.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA5</td>
<td>I would not take risks when an outcome cannot be predicted.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA6</td>
<td>I believe that rules should not be broken for mere pragmatic reasons.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UA7</td>
<td>I don’t like ambiguous situations.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. This scale was adapted from “Cross-national Differences in Proneness to Scarcity Effects: The Moderating Roles of Familiarity, Uncertainty Avoidance, and Need for Cognitive Closure,” by J. Jung and J. Kellaris. 2004, Psychology and Marketing, 21(9), p. 739-753.
Entrepreneurial Intention

The utilized instrument to measure Entrepreneurial Intention was created by Liñán and Chen (2009), which was based in the TPB. The Likert scale consists of six items of 7-points (7 = strongly agree; 1 = strongly disagree. The Cronbach's alpha to test reliability was of 0.95 (See Table 3.3)

Table 3.3.

Entrepreneurial Intention Measurement

<table>
<thead>
<tr>
<th>Element</th>
<th>Code</th>
<th>Questionnaire Component</th>
<th>Cronbach Alpha</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention</td>
<td>EI1</td>
<td>I am ready to do anything to be an entrepreneur.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EI2</td>
<td>My professional goal is to become an entrepreneur.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EI3</td>
<td>I will make every effort to start and run my own firm.</td>
<td>0.95</td>
<td>Liñán and Chen (2009)</td>
</tr>
<tr>
<td></td>
<td>EI4</td>
<td>I am determined to create a firm in the future.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EI5</td>
<td>I have very seriously thought of starting a firm.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EI6</td>
<td>I have the firm intention to start a firm someday.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Locus of Control**

Locus of Control was measured by a 6-point Likert scale from Lumpkin (1985), which was an adaption of a 5-point Likert scale suggested by Levenson (1974), and improved by Rotter (1966). The Lumpkin scale consists of 3 items that measure "internal" Locus of Control, and the other three items were implemented to measure "external" Locus of Control. The instrument used a 5-point Likert Scale in which 1 means the participants strongly disagree, and 5 states the participant strongly agree. Regarding the reliability of the instrument, the Cronbach's alpha coefficient of internal consistency was 0.70 (see Table 3.4).

Table 3.4.  
*Locus of Control Measurement*

<table>
<thead>
<tr>
<th>Element</th>
<th>Code</th>
<th>Questionnaire Component</th>
<th>Cronbach Alpha</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locus of Control</td>
<td>LOC1</td>
<td>When I make plans, I am almost certain that I can make them work.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOC2</td>
<td>Getting people to do the right thing depend upon ability; luck has nothing to do with it.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOC3</td>
<td>What happens to me is my own doing.</td>
<td>0.70</td>
<td>Levenson (1974)</td>
</tr>
<tr>
<td></td>
<td>LOC4</td>
<td>Many of the unhappy things in people's lives are partly due to bad luck.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOC5</td>
<td>Getting a good job depends mainly on being in the right place at the right time.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LOC6</td>
<td>Many times, I feel that I have little influence over the things that happen to me.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note.* Adapted from “Validity of a brief Locus of Control scale for Survey Research,” By J. Lumpkin. 1985, *Psychological Reports, 57*, p. 655-659.
Control Variables

**Age.** Entrepreneurial Intention is likely to increase with age (Phuong & Hieu, 2015). Age and work experience could shape the way an individual think about creating a new venture, especially, taking in consideration that there have been enormous changes in business and labor markets over the years (Kautonen, Luoto, & Tornikoski, 2010). This variable was categorized into four groups 1 = 18-25, 2 = 26-33, 3 = 34-41, and 4 = 42-49.

**Gender.** Previous studies have established a relationship between gender and Entrepreneurial Behavior and that there is a broad representation of males among business founders in most of the countries around the world (Davidsson, 1995). Some researches like Mazzarol, Volery, Doss, and Thein (1999) stated that females are less likely to adopt entrepreneurial behaviors. Also, Reynolds Carter, Gartner, Greene, and Cox (2002) established that “adult men in the United States are twice as likely as women to be in the process of starting a new business” (Phuong & Hieu, 2015, p. 48). The mentioned demographic variable was categorized as 1 = male, 2 = female.

**Education Level.** Several studies have related Education with Entrepreneurial Intentions; some results show that “groups with lower education show less of an interest in an entrepreneurial career” (p. 9). On the counterpart, recent studies have shown that current entrepreneurs have only had an average education (Davidsson, 1995). Also, the inclusion of skills and values linked to entrepreneurship could increase the attractiveness of adopting the behavior (Liñán & Rodríguez, 2015). This variable had four options High School Degree, Bachelor Degree, Master Degree, and Ph.D. Degree.

**Job Tenure.** Tenure is one of the measures of job stability. It captures a more permanent behavior, but that also relates to the business environment (Mumford & Smith, 2000). The personal desire for stability could affect Entrepreneurial Intentions. The mentioned variable was categorized into five groups, 1 = Unemployed, 2 = Less than one years, 3 = From 1-3 years, 4 = from 3-5 years, and 5 = More than 5 years.
Validity and Reliability

The following section contains three main parts, the pilot test section, the Confirmatory Factor Analysis, and the summary of the validity and reliability section.

Pilot Test

The pilot test was applied to 50 Hondurans student and workers that passed the criteria of being raised in their native country for at least 15 years and were in age within 18-49 years. The total scale contained 27 items plus the demographic questions regarding age, gender, education level, and current job tenure. The questionnaire contained eight items for Long-Term Orientation, seven items that measured Uncertainty Avoidance, six items for Locus of Control, and six items for Entrepreneurial Intention. The Cronbach alpha was tested to assess the reliability of each measurement, an Alpha score from .5 to .75 indicates a moderately reliable scale and an Alpha above .75 means high reliability (Hinton, McMurray, & Brownlow, 2014). Table 3.5 demonstrates the reliability of each variable, the Cronbach Alpha of Long-Term Orientation was of 0.72, Uncertainty Avoidance was 0.77, Locus of control was 0.70, and for Entrepreneurial Intention was 0.95. Therefore, no change was made in this stage.

Table 3.5.
Reliability for Each Variable in the Present Study (N=50)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number of Items</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Orientation</td>
<td>8</td>
<td>0.72</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>7</td>
<td>0.77</td>
</tr>
<tr>
<td>Locus of Control</td>
<td>6</td>
<td>0.70</td>
</tr>
<tr>
<td>Entrepreneurial Intention</td>
<td>6</td>
<td>0.95</td>
</tr>
</tbody>
</table>

Confirmatory Factor Analysis

Before testing the hypotheses, the Confirmatory Factor Analysis (CFA) was applied to ensure the items construct validity. The items of each variable in this study were run through CFA using AMOS to check if the data fit the theoretical model. The fit between the measurement model was assessed by the following indices: Comparative Fit Index (CFI) = 0.943; Tucker-Lewis Index (TLI)
= 0.930; Normed-Fit Index (NFI) = 0.863; Incremental Fit Index (IFI) = 0.944; Goodness-Fit Index (GFI) = 0.897. The indicators of residuals are Standardized Root Mean Square Residual (SRMR) = 0.0707, and Root Mean Square Error of Approximation (RMSEA) = 0.059.

In the first process, the CFA results showed a poor model fit to the theoretical model due to many questions of each variable. According to Bandalos (2002), item parcel is a way to correct a poor model fit when a variable has many observed questions. There are eight questions for Long-Term Orientation Construct; the measurement was modified according to item parcel method by grouping the original eight items into four items. The same was done for the rest of the variables. The original items of Uncertainty Avoidance are seven and were grouped into three. The original items for Locus of Control and Entrepreneurial Intentions were six respectively and were grouped into six different items, three for LOC and three for EI. Table 3.6 represents that the measurement model fit and the overall fit are appropriate.

<table>
<thead>
<tr>
<th>$\chi^2$</th>
<th>df</th>
<th>$\chi^2$/df</th>
<th>CFI</th>
<th>NFI</th>
<th>IFI</th>
<th>TLI</th>
<th>GFI</th>
<th>RMSEA</th>
<th>SRMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>155.728</td>
<td>98</td>
<td>1.589</td>
<td>0.943</td>
<td>0.863</td>
<td>0.944</td>
<td>0.930</td>
<td>0.897</td>
<td>0.059</td>
<td>0.0707</td>
</tr>
</tbody>
</table>

Table 3.6. 
Four Factor Measurement Model Fit Summary (N=170)
Figure 3.3. Four factor measurement model
Data Analysis

The statistic software IBM SPSS 23 was utilized to perform the process of data analysis. The statistical techniques such as Descriptive Analysis, Pearson’s Correlation Analysis, and Hierarchical Regression Analysis assisted the process of hypotheses testing.

Descriptive Analysis

This technique provided an overview of the percentage and frequency of the participant's demographic data. The descriptive statistics in this study included demographic information such as gender, age, nationality, education level, current job tenure, and the amount of time lived in the native country.

Pearson’s Correlation Analysis

To acquire a better understanding of the relationship between the independent variables, Long-Term Orientation, and Uncertainty Avoidance with the dependent variable, Entrepreneurial Intention, a correlation analysis was conducted.

Hierarchical Regression Analysis

The three steps of this technique were adopted in this study to determine the potential relationship between the independent and dependent variable. Also, this type of analysis assisted with the examination of the moderating effect of Locus of Control in the relationship between the Long-Term Orientation, Uncertainty Avoidance, and Entrepreneurial Intention.
CHAPTER IV RESULTS AND DISCUSSION

The present segment demonstrates the results of the analysis regarding the relationship among Long-Term Orientation (LTO), Uncertainty Avoidance (UA), Entrepreneurial Intention (EI), and the moderating effect of Locus of Control (LOC).

The hypotheses in this study examined (1) if Hondurans Long-Term Orientation is positively related to their Entrepreneurial Intentions. (2) If Hondurans Uncertainty Avoidance negatively related to their Entrepreneurial Intention. (3) If the moderating effect of Locus of Control has a positive relationship between Long-Term Orientation and Entrepreneurial Intention. (4) If the moderating effect of Locus of Control has a negative relationship between Uncertainty Avoidance and Entrepreneurial Intention. A correlation analysis was utilized to examine the relationship among all the variables, and a hierarchical regression analysis was conducted to examine a further relationship.

Reliability

The Cronbach Alpha test was done at the beginning to ensure the reliability of the utilized questionnaire. Eight items were measured for Long-Term Orientation; the Cronbach Alpha was of 0.72; for the other independent variable, Uncertainty Avoidance, there were seven items, and the Cronbach alpha was of 0.77. The moderator Locus of Control contained six items the reliability was of 0.70; finally, the measured items for Entrepreneurial Intention were 6 with a reliability of 0.95. Table 4.1 represents the Cronbach Alpha of each variable.

Table 4.1.
Reliability for Each Variable (N=170)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number of Items</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Orientation</td>
<td>8</td>
<td>0.72</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>7</td>
<td>0.77</td>
</tr>
<tr>
<td>Locus of Control</td>
<td>6</td>
<td>0.70</td>
</tr>
<tr>
<td>Entrepreneurial Intention</td>
<td>6</td>
<td>0.95</td>
</tr>
</tbody>
</table>
Descriptive Analysis

The following segment describes the demographic information of 170 participants of this study. The questionnaire included four questions regarding demographic information: age, gender, education level, and current job tenure.

These 170 participants were all Hondurans that have to live in their native country for at least 15 years. The 55.9% were represented by males, and 44.1% were represented by females. There were four categories regarding the age; the first category was from 18-25, it represented the 41.8%, from 26-33 was 46.5%. Hence, these two groups represented the majority of the participants. In the category from 34-41, the percentage was of 4.1% and in the category of 42-49 years 7.6%.

Furthermore, regarding the analysis of the education level, 16.5% represented the participants with a High School Degree, 45.9% represented the Bachelor Degree, being this one the majority of the sample. The category of Master Degree was represented by 34.7% of the participants, and the Ph.D. represented 2.9% of the sample.

Moreover, the current job tenure variable was divided into five categories included unemployment; it goes as follows: unemployed participants represent the 10.6%; participants that have worked in the same organization for less than one year represents the 42.4%, being the majority of the sample. The category from 1-3 years represented 27.6%, the category from 3-5 years represented 8.8%; finally, the category of more than five years represented 10.6%. Table 4.2 shows detailed information regarding demographic information.
Table 4.2.
Participants Demographic Statistics (N=170)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>95</td>
<td>55.9</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>75</td>
<td>44.1</td>
</tr>
<tr>
<td>Age</td>
<td>18-25 years old</td>
<td>71</td>
<td>41.8</td>
</tr>
<tr>
<td></td>
<td>26-33 years old</td>
<td>79</td>
<td>46.5</td>
</tr>
<tr>
<td></td>
<td>34-41 years old</td>
<td>7</td>
<td>4.1</td>
</tr>
<tr>
<td></td>
<td>42-49 years old</td>
<td>13</td>
<td>7.6</td>
</tr>
<tr>
<td>Education</td>
<td>High School Degree</td>
<td>28</td>
<td>16.5</td>
</tr>
<tr>
<td></td>
<td>Bachelor Degree</td>
<td>78</td>
<td>45.9</td>
</tr>
<tr>
<td></td>
<td>Master Degree</td>
<td>59</td>
<td>34.7</td>
</tr>
<tr>
<td></td>
<td>PhD Degree</td>
<td>5</td>
<td>2.9</td>
</tr>
<tr>
<td>Tenure</td>
<td>Unemployed</td>
<td>18</td>
<td>10.6</td>
</tr>
<tr>
<td></td>
<td>Less than 1 year</td>
<td>72</td>
<td>42.4</td>
</tr>
<tr>
<td></td>
<td>From 1-3 years</td>
<td>47</td>
<td>27.6</td>
</tr>
<tr>
<td></td>
<td>From 3-5 years</td>
<td>15</td>
<td>8.8</td>
</tr>
<tr>
<td></td>
<td>More than 5 years</td>
<td>18</td>
<td>10.6</td>
</tr>
</tbody>
</table>
Correlation Analysis

To examine the relationship between all the utilized variables, a correlation analysis was conducted. Table 4.3 shows the mean, standard deviation, correlations, and the reliability of the selected variables.

Regarding the independent variables, it is shown that Long-Term Orientation is significantly and positively related to the dependent variable, Entrepreneurial Intention \( (r = 0.357, p < 0.01) \). Now, the other independent variable, Uncertainty Avoidance is significantly and negatively related to Entrepreneurial Intention \( (r = -0.172, p < 0.05) \). The moderator Locus of control showed non-significant relation with two of the variables except with Uncertainty Avoidance; it showed a significant and negative relationship \( (r = -0.167, p < 0.05) \).

In summary, the higher Hondurans Long-Term Orientation, the higher their Entrepreneurial Intentions. On the other hand, The higher Hondurans Uncertainty Avoidance, the lower their Entrepreneurial Intentions. Through the correlation analysis, two hypotheses of the study were supported, Long-Term Orientation positively influences Entrepreneurial Intention, and Uncertainty Avoidance negatively influences Entrepreneurial Intention.

Table 4.3.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Orientation</td>
<td>3.967</td>
<td>0.548</td>
<td></td>
<td>(0.72)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>4.604</td>
<td>1.00</td>
<td>0.033</td>
<td></td>
<td>(0.77)</td>
<td></td>
</tr>
<tr>
<td>Locus of Control</td>
<td>3.790</td>
<td>0.590</td>
<td>0.110</td>
<td>-0.167*</td>
<td>(0.70)</td>
<td></td>
</tr>
<tr>
<td>Entrepreneurial Intention</td>
<td>5.113</td>
<td>1.625</td>
<td>-0.357**</td>
<td>-0.172</td>
<td>0.117</td>
<td>(0.95)</td>
</tr>
</tbody>
</table>

Note. Number in parenthesis represents Cronbach’s Alpha Value. *\( p < 0.05 \). **\( p < 0.01 \).
Regression Analysis

The previous segment presented the correlation between every variable. The results showed that both Independent Variables, Long-Term Orientation, and Uncertainty Avoidance are significantly related to the Dependent Variable, Entrepreneurial Intention. Hence, the present segment is going to present the hierarchical regression analysis results to examine the moderating effect of Locus of Control in the relationship between LTO and EI and the relationship between UA and EI.

Referring to Table 4.4, the results of the hierarchical regression analysis showed that 15.5% of the total variance of Locus of Control was explained by Long-Term Orientation and Entrepreneurial Intention \( (F = 4.965, p < 0.001) \). Long-Term Orientation was found to be positively related to Entrepreneurial Intention \( (\beta = 0.332, p < 0.001) \). Therefore, H1 was supported, suggesting Long-Term Orientation positively influences Entrepreneurial Intention.

However, Locus of Control did not add a significant incremental variance for model 3 \( (\Delta R^2 = 0.012, p > 0.05) \). Therefore, H3 was not supported. Internal Locus of Control does not strengthen the positive relationship between Long-Term Orientation and Entrepreneurial Intention.
Table 4.4.
Result of Hierarchical Regression Analysis for Moderating Effect of Internal Locus of Control on the Relationship between Long-Term Orientation and Entrepreneurial Intention (N=170)

<table>
<thead>
<tr>
<th>Model</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Step 1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>-0.026</td>
<td>-0.054</td>
<td>-0.066</td>
</tr>
<tr>
<td>Age</td>
<td>0.111</td>
<td>0.104</td>
<td>0.106</td>
</tr>
<tr>
<td>Education</td>
<td>0.059</td>
<td>0.060</td>
<td>0.061</td>
</tr>
<tr>
<td>Tenure</td>
<td>0.056</td>
<td>-0.007</td>
<td>-0.011</td>
</tr>
<tr>
<td>(Step 2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Orientation</td>
<td>0.332***</td>
<td>0.344***</td>
<td></td>
</tr>
<tr>
<td>Locus of Control</td>
<td>0.102</td>
<td>0.123</td>
<td></td>
</tr>
<tr>
<td>(Step 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Orientation x Internal Locus of Control</td>
<td></td>
<td>-0.111</td>
<td></td>
</tr>
</tbody>
</table>

| $F$ | 1.328 | 4.965*** | 4.611*** |
| $R^2$ | 0.031 | 0.155*** | 0.166    |
| Adj. $R^2$ | 0.008 | 0.123*** | 0.130    |
| $\Delta R^2$ | 0.031 | 0.123*** | 0.012    |
| $\Delta F$ | 1.328 | 11.890*** | 2.255    |

*Note.* Dependent variable = Entrepreneurial Intention; ***$p < .001$. 
Referring to Table 4.5, the results of the hierarchical regression analysis showed that 6.7% of the total variance of Uncertainty Avoidance was explained by Long-Term Orientation and Entrepreneurial Intention ($F = 1.9959, p > 0.05$). Uncertainty Avoidance was found negatively related to Entrepreneurial Intention ($\beta = -0.139, p < 0.05$). Therefore, H2 was supported, suggesting Uncertainty Avoidance negatively related to Entrepreneurial Intention.

However, Locus of Control did not add a significant incremental variance for model 3 ($\Delta R^2 = 0.004, p < 0.05$). Therefore, H4 was not supported. Locus of Control does not weaken the negative relationship between Uncertainty Avoidance and Entrepreneurial Intention.

Table 4.5.

*Result of Hierarchical Regression Analysis of Uncertainty Avoidance and Entrepreneurial Intention, External Locus of Control as Moderator (N=170).*

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beta</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Model</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Step 1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>-0.026</td>
<td>-0.043</td>
<td>-0.038</td>
</tr>
<tr>
<td>Age</td>
<td>0.111</td>
<td>0.127</td>
<td>0.138</td>
</tr>
<tr>
<td>Education</td>
<td>0.059</td>
<td>0.064</td>
<td>0.061</td>
</tr>
<tr>
<td>Tenure</td>
<td>0.056</td>
<td>0.014</td>
<td>0.003</td>
</tr>
<tr>
<td>(Step 2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>-0.139*</td>
<td>-0.133</td>
<td></td>
</tr>
<tr>
<td>Locus of Control</td>
<td>0.115</td>
<td>0.116</td>
<td></td>
</tr>
<tr>
<td>(Step 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(continued)
Summary and Discussion

The present study was conducted to examine the relationship between Long-Term Orientation, Uncertainty Avoidance, Locus of Control, and Entrepreneurial Intention. After conducting the Pearson’s Correlation Analysis and the Hierarchical Regression Analysis, first, it was found that Long-Term Orientation is positively related to Entrepreneurial Intention. Second, Uncertainty Avoidance is negatively related to Entrepreneurial Intention. In other words, individuals with high Long-Term Orientation tend to have higher Entrepreneurial Intentions. On the other hand, Individuals with high Uncertainty Avoidance tend to avoid their Entrepreneurial Intentions. Alves et al. (2006) explained the fact that individuals that are not driven by Long-Term Orientation tend to focus on short-term results. Also, According to Wennekers et al. (2007), a low level of Uncertainty Avoidance is an important characteristic that Entrepreneurs most have to establish a new venture.

Also, this study did not find a moderating significant variance relationship between the independent variables and the dependent variable. It must be said that the results of this study...
showed inconsistency with different researches that stated Locus of Control as a related characteristic with Entrepreneurial Intention since Internal Locus of Control is defined as someone who believes in having control in its actions and not external forces (Naushad & Malik, 2018; Luthans & Ibrayeva, 2006). According to Contreras et al. (2017), Entrepreneurial Intention is related to the belief in the ability to exert control in their social context, which is the definition of Internal Locus of Control.
CHAPTER V  CONCLUSIONS AND SUGGESTIONS

The present chapter describes the conclusion of the overall study and the findings exposed in the previous chapters. Also, in this chapter, recommendations and suggestions for future studies are made.

Conclusions

The purpose of the study was to examine the relationship among Long-Term Orientation, Uncertainty Avoidance, and Entrepreneurial Intentions. Also, to determine if Locus of Control had a moderating effect in the relationship among the mentioned variables in order to understand the initiation of Entrepreneurial Behavior. Table 5.1 summarizes the results of the data analysis obtained in the previous chapter. Also, the segments below contain a more detailed description of each hypothesis.

Table 5.1.
Hypothesis Testing Results Summary

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Supported</td>
</tr>
<tr>
<td>H2</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H4</td>
<td>Not Supported</td>
</tr>
</tbody>
</table>
The Positive Effect of Long-Term Orientation

The finding of the present study showed that the variable of Long-Term Orientation is positively related to Entrepreneurial Intention. In other words, Hondurans that possess the characteristic of Long-Term Orientation will be driven by their Entrepreneurial Intentions.

It could be said that Long-Term Orientation plays a vital role in the adoption of Entrepreneurial Behavior since Entrepreneurial Intention is the first step of becoming an Entrepreneur. In other words, underdeveloped countries must take into consideration since entrepreneurship can be used as a strategy to increase economic growth and decrease social challenges (Ozaralli & Rivenburgh, 2016). Also, the characteristic of Long-Term Orientation can cause favorable outcomes in organizational outputs since individuals with this characteristic tend to show perseverance until they achieve their goals.

The Negative Effect of Uncertainty Avoidance

The results of the data analysis showed that Uncertainty Avoidance is negatively related to Entrepreneurial Intention. Meaning that Hondurans with high Uncertainty Avoidance will avoid being driven by their Entrepreneurial intentions since individuals with this characteristic tend to avoid situations in which they cannot predict the outcomes. As Naktiyok et al. (2009) stated the characteristic of uncertainty avoidance is the level of importance that an individual assign to stability. It could be said that Uncertainty Avoidance plays a vital role in influencing the performance of an employee and the decision of an individual to become an entrepreneur. In other words, this characteristic cause adverse outcomes in the decision of adopting a determined behavior.

Moderating Effect of Locus of Control

The results of this study indicated that Locus of Control does not interfere in the relationship between Long-Term Orientation and Entrepreneurial Intention nor the relationship between Uncertainty avoidance and Entrepreneurial Intention. Even though the results are not consistent with the established hypotheses, this characteristic can still be taken into consideration for future references.
Internal and External Locus of Control are still factors that determine human behavior and the way an individual perceives its environment. In other words, the way a person perceives its environment can determine or influence in their daily decisions. It must be said that for future researches, the variable of religion must be included as a controlled variable since religion is a factor that influences people’s beliefs, which means that it can cause some confusion or inconsistencies in the participant’s responses.

**Practical Implications of the Study**

As established before, the formation of an individual’s intention depends on their characteristics, such as attitude, Personality, and cultural values. According to this study, Long-Term Orientation has a positive impact on Entrepreneurial Intention. Therefore, organizations must take into consideration to hire individuals with this characteristic to ensure the retention of their employees. As mentioned in previous chapters, individuals with this characteristic set long term goals and demonstrate perseverance until they achieve their goal, hence it can not only assist an individual in adopting an entrepreneurial behavior but also assist an organization with innovative ideas.

Second, the study results showed that Uncertainty Avoidance has a negative impact on Entrepreneurial intention. Hence people with a high level of UA will avoid adopting entrepreneurial behaviors, and this not only affects personal decisions but affects how people perform in a determined organization meaning that HR should consider establishing a questionnaire to measure this characteristic to evaluate the flexibility that managers must have in an organization. Also, how rigid the organizational structure must be towards their employees.

Third, regarding the moderating effect of Locus of Control, the influence that this personality trait has on someone’s behavior cannot be denied. Although the outcomes of the study were not as predicted, Locus of Control can be considered for future researches relating it to entrepreneurial intention hence entrepreneurial behavior having in consideration all the critical factors that can influence this variable such as the demographic characteristics. Regarding organizational implications, HR could measure this characteristic among their employees to establish a more appropriate organizational culture and aligned it to the organizational goals.
Fourth, the results of this study can assist the targeted country by showing the importance of promoting Entrepreneurial characteristics since it was found that some of the population already possess characteristics related to Entrepreneurial Intention. Consequently, this will assist by stimulating the economic growth and resolution of social issues through innovative ideas.

**Research Limitations**

Even though the present study contributes to the literature, it still presents some limitations. First, the study sample was only Hondurans within the age of 18-49 years, which means that the result only applies to this determined population. Second, this study uses a cross-sectional design, even though it estimates the prevalence of certain behaviors or characteristics in a selected population the data was collected in only one period. Third, in the beginning, the collected sample was of 230 Hondurans but was depurated to 170 valid participants due to some inconsistencies with the variable of Locus of Control. Due to limited time to collect a larger sample, it may not be able to represent the entire population. Fourth, the study may have a common method bias issue since the data was collected in a self-reported way from the same participants. “Errors introduced by methods and tools could contaminate analytical results” (Eichhorn, 2014, p. 1). The mentioned limitations cause difficulties providing strong evidence of cause and effect.

**Suggestions for Future Study**

Studying the factors that influence Entrepreneurial Intention is a helpful strategy to promote Entrepreneurial Behavior, especially in underdeveloped countries. For future researches, it is vital to take more broadly into consideration the control variables. For example, it might be helpful to include religion as a variable since religion is a cultural value that causes differences among societies regarding attitudes, perceptions, and behavior, which are factors that can influence Entrepreneurial Intention. Also, the recompilation of a larger sample is crucial to provide a more accurate representation of the selected population. Moreover, future studies can adopt longitudinal design or experimental design to investigate the causal relationship between independent and dependent variables more accurately.
REFERENCES


APPENDIX: QUESTIONNAIRE

Dear Participants,

I am a student from the Graduate International Human Resources Development Master Program at National Taiwan Normal University, Taiwan, R.O.C.

For graduating requirements, I am conducting a study to distinguish if Cultural Values at an individual level and Personality Traits influence Entrepreneurial Intentions. The results of this study will be utilized to identify and analyze the relationship between the mentioned variables to promote Entrepreneurial Behavior; hence, the possibility to increase the economic and wealth growth of a country.

I would be grateful if you could spend 10 to 15 minutes, answering the following questions. Your participation is voluntary; any information you provide is confidential, and nothing that identifies you will be published. If you are willing to take part in the study, you will be asked to read a series of statements and indicate your disagreement or agreement by marking the appropriate response category according to your personal experience.

Thank you for your time, and if you have any questions about the survey, or need additional information you can contact me at l********6@gmail.com

Sincerely,

Edna Lillian Martínez Magaña
### LTO (Tradition & Planning)

**INSTRUCTIONS:** Please read each statement and select a number from 1 to 5, which best applies to your situation. There are no right or wrong answers. Do not spend too much time on any statement.

**The rating scale is as follows:**

- 1 Strongly Disagree
- 5 Strongly Agree

<table>
<thead>
<tr>
<th>Rating Scale</th>
<th>1 Strongly Disagree</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respect for tradition is important to me.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family heritage is important to me.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I value a strong link to my past.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traditional values are important to me.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I plan for the long term.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I work hard for success in the future.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not mind giving up today’s fun for success in the future.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Persistence is important to me.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### LOC (Internal & External)

<table>
<thead>
<tr>
<th>Rating Scale</th>
<th>1 Strongly Disagree</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>When I make plans, I am almost certain that I can make them work.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Rating Scale

<table>
<thead>
<tr>
<th>Rating Scale</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Strongly Disagree</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>7 Strongly Agree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Getting people to do the right thing depend upon ability; luck has nothing to do with it.</th>
</tr>
</thead>
<tbody>
<tr>
<td>What happens to me is my own doing.</td>
</tr>
<tr>
<td>Many of the unhappy things in people's lives are partly due to bad luck.</td>
</tr>
<tr>
<td>Getting a good job depends mainly on being in the right place at the right time.</td>
</tr>
<tr>
<td>Many times, I feel that I have little influence over the things that happen to me.</td>
</tr>
</tbody>
</table>

### INSTRUCTIONS:

Please read each statement and select a number from 1 to 7 which indicates how much the statement applies to you. There are no right or wrong answers. Do not spend too much time on any statement.

The rating scale is as follows:

1 Strongly Disagree
7 Strongly Agree

<table>
<thead>
<tr>
<th>Rating Scale</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Strongly Disagree</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>8 Strongly Agree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| I prefer structured situations to unstructured situations. |
| I prefer specific instructions to broad guidelines. |
| I tend to get anxious easily when I do not know an outcome. |
### Rating Scale

<table>
<thead>
<tr>
<th></th>
<th>1 Strongly Disagree</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel stressful when I cannot predict consequences.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would not take risks when an outcome cannot be predicted.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I believe that rules should not be broken for mere pragmatic reasons.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I don’t like ambiguous situations.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Entrepreneurial Intentions

<table>
<thead>
<tr>
<th></th>
<th>1 Strongly Disagree</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am ready to do anything to be an entrepreneur.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My professional goal is to become an entrepreneur.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will make every effort to start and run my own firm.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am determined to create a firm in the future.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have very seriously thought of starting a firm.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have the firm intention to start a firm someday.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>☐ Male</td>
<td>☐ Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>--------</td>
<td>---------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>☐ 18-25</td>
<td>☐ 26-33</td>
<td>☐ 34-41</td>
<td>☐ 42-49</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Time lived in Honduras**

<table>
<thead>
<tr>
<th>Educational level</th>
<th>☐ High School Degree</th>
<th>☐ Bachelor Degree</th>
<th>☐ Master Degree</th>
<th>☐ Ph.D. Degree</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Current Job Tenure</th>
<th>☐ Less than 1 year</th>
<th>☐ From 1-3 years</th>
<th>☐ From 3-5 years</th>
<th>☐ More than 5 years</th>
</tr>
</thead>
</table>

Thank you for your participation!