



EMPLOYMENT OR ENTREPRENEURSHIP: A THEORETICAL ANALYSIS ON DECISION-MAKING PROCESS AND ECONOMIC OUTCOMES

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Abstract

The decision on whether to get employed or to venture in entrepreneurship is an issue that is based mainly on culture. The purpose of this study was to develop a theory on understanding the “culturally Filipino” perspective of making decisions directed towards landing on employment or venturing on entrepreneurship. Assumptions on this study include: (1) Filipino parents consider education a key towards employment; (2) people’s perceptions matter and influence one’s behavior; (3) most Filipinos with Filipino descent are not prepared to become entrepreneurs; (4) individuals tend to make decisions relative to what and how others expect of them; and (5) the Filipinos’ decision to choose employment over entrepreneurship produces a negative economic impact to the country. Propositions include: (1) employment to be viewed as the most important goal for most Filipinos; (2) most Filipinos listen to what others say first before making a decision; (3) most Filipinos do not contribute much to the economic development. These factors contribute to the development of the Culture-Based Decision in Economics Theory.

Keywords: employment, entrepreneurship, Filipino, culture, perception, decision, economy

INTRODUCTION

Entrepreneurship is a propelling element for a nation yearning for a thriving, stable, and successful economy amid ever changing and increasingly competitive global market place. In the Philippines, economic leaders have been pushing the citizenry to venture in any business undertaking that will curb the issue of poverty and unemployment. The students as well are encouraged to take part in nation building by taking up a field of specialization that is congruent to the government’s thrust. However, it is observed that students are likely inclined to plain employment rather than in entrepreneurship. With this in mind, most college graduates especially the unemployed do not find a way associating venturing into business and the degree earned. Others are confused of their decision leaving them unemployed over time. Hence, this study explores the impact of perceptions and expectations of other people to the decision process on whether to be employed or to venture into entrepreneurship.

Emerging economies are characterized by an increasing market orientation and an expanding economic foundation. The success of many of these economies is such that they are rapidly becoming major economic forces in the world. Entrepreneurship plays a key role in this economic development. Yet to date, little is known about entrepreneurship in emerging economies. The article concludes with a discussion of the critical future research needs in this area (Bruton, Ahlstrom, & Obloj, 2007). Entrepreneurs can have a great effect on the economic growth of a country and are certainly fundamental in creating more jobs and revenue for a country. The major contributions entrepreneurs have on the economic growth of a country are: (1) creating their own job and therefore do not rely on the state; (2) creating lot more jobs that help bring down unemployment; (3) bringing more revenue into a country and also pay taxes that help the country grow; and (4) bringing in outside trade from other countries that can help relations between countries (Richardson, n.d.).



Individuals often resort to entrepreneurship for one of the following reasons; (1) because they find a market niche and have the solution to profit from such niche; (2) because they have been unable to find suitable employment or a suitable means of income and therefore have resorted to using their creativity to generate an income for themselves; or (3) because they have the technological know-how and the financial resources (or able to source all of the above) necessary to generate income by satisfying a need in the marketplace. Irrespective of which of the above led an individual to become an entrepreneur it is clear that innovation and creativity are the driving factors and therefore it can be stated that the biggest impact of entrepreneurs to an economy is the innovative contribution that they make (How Entrepreneurs Impact an Economy, n.d.).

The Philippines is undeniably one of the most populated countries in the world. As estimated by the Commission on Population (POPCOM), an agency in the Philippines, and an agency of the US Government responsible for the provision of the national security intelligence to the senior state policy makers, the real-time projected population of the Philippines as of the current year 2013 is at more than 98 million (²Total Population of the Philippines 2013, 2013). Trang and Hieu (2011) conducted a study on the effects of population growth on economic growth in Asian developing countries and concluded that population growth will directly affect the GDP per capita of the people. The higher is the population growth, the lower the GDP per capita becomes. Likewise, it will also pull the economy down of a country. Being the 12th most populated country in the world, it is imperative that jobs be created in order to cater the needs of the Filipinos. Loren Legarda, Philippine Senator as cited by Legarda To PNOY: Implement Micro Small Medium Enterprises and Barangay Kabuhayan Laws (2010), affirms the need for job creation to establish a self-sufficient industrial foundation and asked the Philippine President Benigno C. Aquino III to implement and fund laws for employment generation. These laws are Republic Act No. 9501 or the "Magna Carta for Small and Medium Enterprises" and Republic Act No. 9507 or the "Barangay Kabuhayan Act". The laws are focused on helping the underprivileged expand capabilities to economic productivity and eventually increase their incomes.

Desiderio (2013) reported that former board adviser and president of the European Chamber of Commerce in the Philippines (ECCP), Hubert D'Aboville encouraged the government to focus on job creation by boosting the tourism sector of the country through marketing of the new tourist attractions and together with this, infrastructure must also be provided and improved. Likewise, the president of the Philippine Chamber of Commerce and Industry Miguel Varela, pointed out that in creating a better country, legislators need the creation of a national agenda addressing issues on job creation and sustaining investments, among others. Both statements clearly state the need of the country to focus on job creation by being engaged in the entrepreneurial activities. These needs bring us to the assumption that Filipinos need to really obtain the spirit of entrepreneurship.

In most developed and industrialized economies like India and China, entrepreneurship is the common denominator that plays very important role in the economy. In order for an economy to fully develop, government must allow entrepreneurship to flourish (How Entrepreneurs Impact an Economy, 2013). Savas (n.d.) narrates in his article 'Entrepreneurship in China is Different' that since the reign of Deng Xiaoping, plans in China have done well in surpassing goals. Entrepreneurs have larger role in nation building while phasing out several government-owned enterprises. In a survey conducted about entrepreneurship in India and China, Mijs (2010) describes how people in these countries are excited about the future economic status in their respective countries. Most of the people are optimistic that their respective countries will become economically powerful in the future. The mindset of the people of these economies is on economic activities like entrepreneurship. Just like USA, UK, Germany, or any leading global economic powers, they have recognized entrepreneurship as vital to their economies.

One reality to today's employment is that employees are needed to think like entrepreneurs do (Why Employees need to think like Entrepreneurs, 2013). This is because companies nowadays are faced with a lot of challenges like sales, corporate performance, employee performance, productivity, etc. In asking employees to think like entrepreneurs,



they will be encouraged to work beyond what an ordinary employee does and give their best in reaching out company goals. Espousing entrepreneurial mindset in employees support the company in many ways, be it in boosting sales and profits, or improving relationships and productivity of employees. Most importantly, employees will develop in themselves loyalty and will own the company as their own; thereby, upholding sustainability and development. Considering the need for employees to really think, act and do like entrepreneurs, it is indeed imperative to engage and venture into business as it creates a lot of advantages both to the organization and the economy as well.

On the students' perspective, the decision on whether to avail of the opportunities in employment or to venture into business is largely affected by the Filipinos' beliefs and perceptions that have been handed down from generation to generation. Filipino Beliefs, Contradictions, Values (n.d.) points out the parents' concept of education being the most important thing they can bequeath to their children which is best known in Filipino language as, "ang pinakamagandang pamana ng isang magulang sa anak". This means education is very much valued by most Filipinos as this is prioritized. Parents have this belief that education is a national legacy that one must bring from generation to generation; therefore, indispensable. In fact, government elementary and secondary schools are free from tuition fees, a mark of Filipinos' obsession on education (Education very Important to Filipinos, 2012).

Perception has been a man's primary form of cognitive contact with the world around him. The students' perception of getting employed after graduating from college has been common to many and continues to be the mindset of most students getting a hold to the possibility of becoming highly acceptable norm in the society. In fact, this continuity over time has become a norm in the society. The issue on perception of most college students including the graduates in the Philippines is to date unexplored, which is why an attempt of this paper to reveal on the current situation must be pursued. Statistics on this issue has not been published, and scientific explanation has not been fully tested and validated. The conduct of this study may lead to the discovery of some interesting ideas

on this phenomenon thereby strengthening this theory.

The result of this study on Filipino students' decision on whether to get employed or venture into business will give light to the generations to come. This paper will contribute to knowledge by evaluating the importance of employment vis-a-vis entrepreneurship. Introduction of this study may result to the gradual understanding and enrichment of both employment and entrepreneurship, creating another new yet creative and productive perception.

Theory Formulation and the Theory

Axiom 1: Filipino parents consider education a key towards employment. Much emphasis of most Filipino parents to children is placed on finishing education as a tool in order to acquire job to secure a better future. The article Some Filipino Parents Expect ROI from Educating Children (n.d.) clearly describes Filipino parents as investors in education expecting their children return on investment (ROI) just like businessmen do. The money spent in sending their children to school is counted as a capital that must have return in the future when they finish schooling and acquire a job. In this way, parents pass the responsibility to them and share the burden by sending their sibling to school. This practice seems to be natural for Filipinos, practiced by many, and is carried from generation to generation.

Spending much for the education of a child does not matter to most Filipino parents. In fact, parents do everything they can just to send their children to school. Others go to the extent of selling their properties; a small piece of land, or a carabao (bubalos bubalis carabanesis) which is very important for Filipino especially farmers as it is their help in toiling the farmlands, just to be able to invest in their child's best education until the last day in college (Tan, 2010).

Amazing stories are told by Romualdez (2013) in his article Education: The only way out of poverty, about how parents have put their hopes on their children's education to pull them out of poverty. One of them is the story about a bus driver and his wife taking in laundry to support their family of four children, whose dreams and hopes poured on their



child were shattered when son was stabbed to death. Another story is that of the family driver who was able to put his son on college and became a successful financial analyst. A Romblon farmer who did everything: worked as carpenter; as a motorcycle driver; as a chainsaw operator; as a helper; smashed big stones and sold; shoveled and refined sand and sold; and even chopped and burned tree branches to convert them into charcoal to sell; while the wife accepted laundry jobs just to be able to send their son to college. Eventually the son got a good reputation as well as good salary in his job in Manila (De Leon, 2013). These are just few of the many inspiring stories of how parents put their efforts, dreams, and hopes to their offspring's education just to land a good job in the future.

Education (n.d.) illustrates Filipinos' deep regard for education. This is because of the belief that one can get ahead if he has attained good education, a belief that once acquired from the colonial rulers, the Americans who gave much emphasis on mass education. This is true to the present administration of President Benigno C. Aquino III that helps the poorest of the poor in the country through the Pantawid Pamilyang Pilipino Program (4P's) or the Conditional Cash Transfer (CCT). This aims to address the needs of the impoverished grassroots by investing on the health and education of poor households (The Pantawid Pilipino Pamilyang Pilipino Program, n.d.). The government believes that by educating the poor children, they can soon acquire a descent job that can eventually support the needs of the family.

Axiom 2: People's perceptions matter and influence one's behavior. The "humanness" of Filipinos is evidenced to the highest level in giving utmost priority and significance to others in trying to compose the self. Caring about how others think, or what others say and do, relatively influence behavior and decision-making processes (Hallig, 2012). For example, a registered nurse who thinks of "buying and selling" dried rabbit fish (danggit) or any kind of dried fish would inhibit himself from doing such because other people would think that it is disparaging for a nurse to just engage in this kind of activity. Therefore, the nurse would opt to get employed or seek for preceptorship training programs.

Filipinos possess extreme personalism (Extreme Personalism: Weaknesses of the Filipino Character, 2013). This kind of behavior urges Filipinos to relate to things at a personal level where one needs to recognize his existence as well as value his presence. With this, any comments, opinions, and views like praises or criticisms matter a lot to him. Any disapproval has to be thought of many times as this can be the basis for relationships to collapse.

The Philippine value system includes their unique assemblage of consistent ideologies, and personal and cultural values that are promoted in the society. Generally, the distinct value system of Filipinos is rooted primarily in personal alliance systems, especially those based in kinship, obligation, friendship, religion and commercial relationships. Filipino values are, for the most part, centered at maintaining social harmony, motivated primarily by the desire to be accepted within a group. Therefore social approval, acceptance by a group, and belonging to a group are major concerns.

The Many Faces of the Filipino (2011) emphasizes the Filipinos people-centered orientation where relationships among people are nurtured and well taken care of. This is evident among sharing of Filipino people in many ways like giving of food, offering clothing to young ones that are no longer of use by the owner, and many other things. This is a manifestation of how Filipinos really care about what others will feel in a situation and this includes valuing what someone has to say about an issue especially on matters that involve education.

Doing business in the Philippines (2013) hints businessmen to observe patience and time in closing a deal with Filipinos. Business in the Philippines is highly personal and in establishing relationship with business partners, one must need the personal introduction through a friend or business associate. This is because what other people say, matters a lot to Filipinos.

Axiom 3: Most Filipinos with Filipino descent are not prepared to become entrepreneurs. Our school system primed us to become employees. To begin with, children are trained at home to eventually become employees when they grow up. The average mindset is to find a job after college, preferably abroad. Turning to



business is just relegated as an option or fall back position in case there is no job opportunity available yet. This is the reality in the case of nurses, who are now in the light of paying for experience, since society expects them to be hired in hospitals and not to engage in any entrepreneurial activities. Thus there should be a deliberate move to strengthen the entrepreneurial education program all over the

country to prepare college students to become entrepreneurs, not just employees.

A table below presents the top 20 corporations in the Philippines based on the rankings in 2004 of the Philippines Business and Government Yearbook of 2006.

Table 1: Top 20 Philippine Corporations

Name of Corporation	Ownership
1. Texas Instruments Phils. Inc.	American owned
2. Manila Electric Company	Filipino owned
3. Pilipinas Shell Petroleum Corporation	Dutch owned
4. Toshiba Information Equipment (Philippines) Incorporated	Japanese owned
5. Smart Communications Incorporated	Filipino owned
6. Caltex Philippines Incorporated	American owned
7. Philippine Long Distance Telephone Company	Filipino owned
8. Nestle Philippines Incorporated	Swiss owned
9. Globe Telecom Incorporated	Filipino Owned but with Spanish descent
10. Fujitsu Computer Products Corporation of the Philippines	Japanese owned
11. Philips Semiconductors (Philippines) Incorporated	Dutch owned
12. Mercury Drug Corporation	Filipino owned but with Chinese descent
13. Zuellig Pharma Corporation	Swiss owned
14. Philippine Associated Smelting and Refining Corporation	Philippine Government owned
15. Panasonic Communications Philippines Corporation	Japanese Owned
16. Malayan Integrated Industries Corporation	Filipino owned
17. Metropolitan Bank and Trust Company	Filipino Owned but with Chinese descent
18. San Miguel Foods Incorporated	Filipino Owned but with Chinese descent
19. Fortune Tobacco Corporation	Filipino Owned but with Chinese descent
20. Rohm Electronics Philippines Incorporated	Japanese Owned

The table above reveals that of the top 20 corporations in the Philippines, different ownerships can be observed. It is found out that only few

Filipinos own companies while the rest are companies of different origins. Summary of ownerships is shown in the table below:

Table 2: Ownership of the Top 20 Corporations in the Philippines

Ownership	Percentage (%)
Filipino Owned	20
Filipino Owned but with Chinese descent	20
Filipino Owned but with Spanish descent	5
Philippine Government Owned	5
American Owned	10
Dutch Owned	10
Japanese Owned	20
Swiss Owned	10



It is shown above that of the 20 corporations, four of them are owned by pure Filipinos which are equivalent to 20 percent, another four are owned by Filipinos but with Chinese descent, one is owned by Filipino with Spanish descent and another one is owned by the Philippine government. The total Filipino owned corporations is equivalent to 50 percent which means only half of the 20 corporations

are owned by Filipinos and the other half originated from other countries. Given the data above, Philippine market is equally shared between Filipinos with or without foreign descent and the foreign investors: thus, entrepreneurship can be perceived to be distant from the priorities and inclinations of Filipino people.

The Philippines’ billionaires’ club (2013) cited the ten richest men in the Philippines:

Rank	Name	Company
1 st	Henry Sy and family	SM Group
2 nd	Lucio Tan & family	LT Group
3 rd	Enrique Razon Jr.	International Container Terminal Services Inc.
4 th	Andrew Tan	Alliance Global Inc.
5 th	David Consunji & family	DMCI
6 th	George Ty & family	GT Capital
7 th	Lucio and Susan Co	Puregold
8 th	Robert Coyiuto, Jr.	National Grid Corporation
9 th	Tony Tan Caktiong & family	Jollibee Foods Corp.
10 th	Andrew Gotianun & family	Filinvest

Table 3: Top 10 Richest Men in the Philippines

The personalities highlighted in the table above are Filipinos and resided in the Philippines for quite a long period of time. They may have claimed Filipino citizenship: however, the family names of these personalities are clearly not of Filipino ancestry and ethnicity. The life story of Henry Sy, Sr., the richest man in the Philippines as told by Solee (2009) is a typical example of a Chinese who, at the age of 12 migrated in the Philippines. The story of the second richest man in the Philippines, Lucio Tan, shows how a Chinese have thrived in the Philippines by way of putting up businesses. He was born in China’s Fujian province in 1934 and his family migrated in the Philippines during his childhood (Solee, 2009). Andrew Tan was also born in a Fujian province of South China and grew up in downtown Manila (Flores, n.d.). George Ty also comes from China and migrated in the Philippines at the age of six (Yu, n.d.). The family names of most of the richest men in the Philippines have Chinese origin.

Axiom 4: Individuals tend to make decisions relative to what and how others expect of them. When Filipinos sense how other’s view of them as in axiom 1, they automatically exhibit the expected behaviors. Though expectations add color to life, they also put pressure onto the self. Oftentimes, Filipino culture implies that meeting high expectations of others may be the only way to get their approval (Managing expectations, 2012). Then living on expectations now starts to affect behavior, and consequently, affects the drive to engage in entrepreneurial activities. A course of action therefore becomes less acceptable or less appreciated if it does not conform to the expectations of the society.

When a person has achieved the highest level of education, he is perceived to be educated and is considered an epitome of success. The appositives attached to the name before or after matter a lot for these give pride to the person. It encourages economic and social mobility. Everyone loves to hear



the title attached to the name like Professor, Attorney, Engineer, Doctor, Architect, or designations like Supervisor, Manager, or Director because assuming a functional leadership makes them erudite (De Villa, 2010). It is for this reason that people strive to achieve a lot in education because the more achievements a person has, the higher is the perception of others.

Axiom 5: The Filipinos' decision to choose employment over entrepreneurship produces a negative economic impact to the country. The economy of the Philippines takes on a much slower rate of growth with Filipinos becoming employed rather than entrepreneurs because the economic inclination is only on generating wealth and not propagating it. Entrepreneurship is supposed to distribute wealth and provide for further employment and contribute to economic productivity. In fact, Salgado-Banda (2005) confirmed that entrepreneurship has both statistical and economic relevance on the economic growth of the country. But looking at the current scenario in the Philippines, the decision to become employed rather than take on a personal business decrease the nation's potential for economic advancement.

The economic importance of entrepreneurship in a country cannot be understated. It brings a number of advantages: (1) new technologies, products, and services are created and brought to life: hence, promoting wealth creation; (2) new markets and jobs are created along the way: thus, alleviating unemployment and poverty; and (3) it transforms ideas into economic opportunities: therefore, invigorating the markets (Entrepreneurship, 2008).

Proposition 1: If education is a key towards employment (as explained in Axiom 1) and that Filipinos with Filipino descent are not prepared for entrepreneurship (as in Axiom 3); therefore, employment is viewed to be the most important goal for most Filipinos.

Many a high school student when asked as to what career choice he or she will be taking, the most common answer will be to take up medicine because the parents are medical doctors. Others would say that they want to become lawyers because they admire the profession and they would want to

carve name in the society. Others take up journalism because they would want to become like the personality they admire in the media. Some avoid the complexity of mathematics and settle to become English teachers, while others want to be employed abroad because of the high pay they receive that is why they enroll on a nursing program (Canlas, 2008).

None of the Filipinos would normally say that they will continue with their education in the university because they would want to gain better understanding in entrepreneurship. In fact, those who have become successful in business were just by no choice brought into it due to hardships in life or sometimes by coincidence. One example is the life of an ordinary housewife who grew up in poverty and recently earns thousands of pesos because of selling lugaw – a Filipino kind of porridge (Garcia, 2013). The money that they originally started for the business was very minimal and was supposed to use to pay for their electricity bill. Currently, she is now an advocate of entrepreneurship encouraging those who are less in life to engage in business. Another very typical example is the story of a former housemaid who got rich because of her skill in making chocolates (Garcia, 2013). Due to poverty, she was forced to engage in selling sampaguita (considered the national flower of the Philippines) on the streets even candles during her childhood. With the money that she earned from being a house help, she was able to buy cacao beans and started experimenting it until she was able to produce varied products of chocolates that she delivers to her buyers. Currently, she now owns a chocolate factory in Cebu and helps those housewives who do not have income to engage into business.

The successes of these families who prosper and thrive in business even with inferior understanding in business set a tone for most Filipinos' inclination to employment. Getting into business is seen to be the last resort when all other else in employment fail. By coincidence and not a matter of choice, some Filipinos prosper in business and become successful. This fact is common to the lives of most Filipinos nowadays; hence, attracting investments is a need that must be addressed by the government in order to fill the gaps of unemployment.



Proposition 2: If people's perceptions matter and influence one's behavior (Axiom 2) and individuals tend to make decisions relative to what and how others expect of them (Axiom 4); then, most Filipinos listen to what others say first before making a decision.

The study of Espero (n.d.) on correlates of career decisions among children of overseas Filipino workers reveals that parents constitute the biggest factor in influencing the career choice of their children. Another factor that has influence on the career decision of children is the educational attainment of the parents. This is followed by relatives' influence, the influence of friends, media, and others. This simply means that others' perceptions have a big role in the decision making process especially in terms of career decisions. Canlas (2008) relates stories about why Filipino families are known for its achievements and inclinations. For instance, a child loves to take up education because of the influence of her/his parents who are both teachers. Other families are known to be in the medical field because of the parents' influence while growing up. The parent would tend to tell their children about how good their profession is that makes the child eager to also become one someday.

Proposition 3: If most Filipinos with Filipino descent are not prepared to become entrepreneurs (Axiom 3) and that the Filipinos' decision to choose employment over entrepreneurship produces a negative economic impact to the country; ergo, most Filipinos do not contribute much to the economic development of the country.

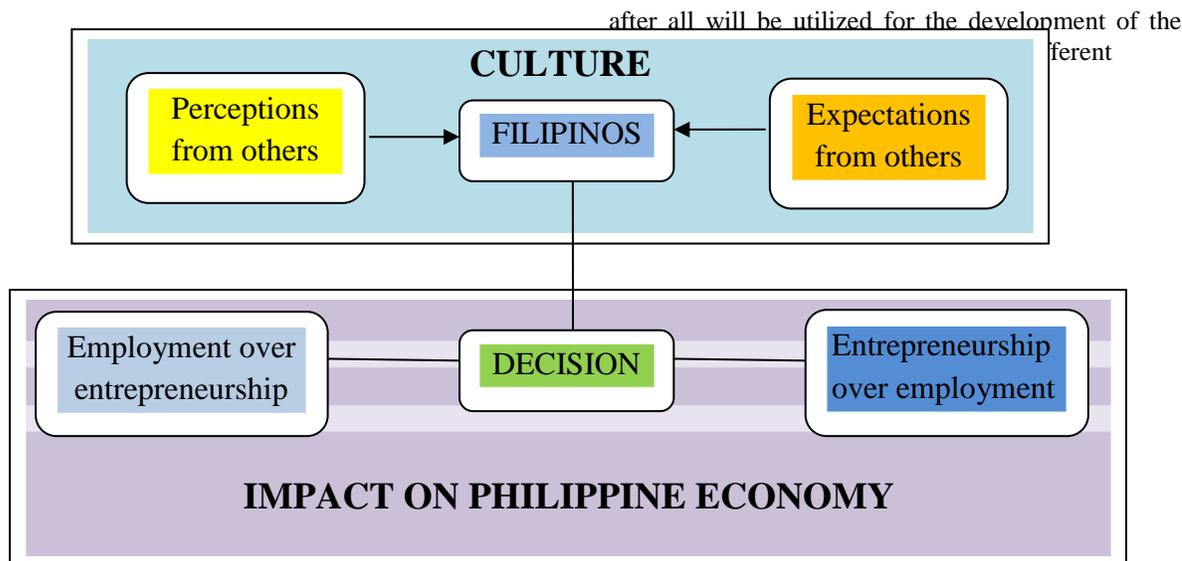
Garcia (2013) clearly emphasizes the Asian Development Bank report citing the importance of strengthening investment especially in manufacturing as a key for Asian countries like the Philippines to achieve highly productive services sector, innovative technology, and modernized agriculture. It further cited that countries that have rapidly industrialized and achieve high income like China, Hong Kong, Singapore, Taiwan, Japan, and Korea have engaged in manufacturing. It is clear that with

entrepreneurship, the economy as well as the people can benefit because of the opportunities of employment. The Philippines for years has been deploying overseas Filipino workers (OFWs) and this has contributed to an impressive 7.8 first quarter growth for the year 2012 because of domestic spending (Factao, 2013). However, it is noted that remittances alone cannot lift the economic status of the country. Poor Philippine records in attracting greenfield investments is one factor for its economy to lag behind other Asian countries.

Culture-Based Decision in Economics Theory. What others have to say plays significantly in the Filipino social culture. Perception and expectation affect the decision making process of a person. Filipino professionals who have the potential aptitude such as ability or behavior for business do not pursue such undertaking related to other people's perception and expectations on them. This reflects a viewpoint that beholds the essential humanity recognizable in everyone, linking rather than separating them from each other. In trying to understand this phenomenon, professionals prefer to get employed and decline the opportunity to establish a business with the thought that engaging in entrepreneurial activities, which are not in line with their profession, may inflict them a negative or perhaps, a less acceptable perception from others.

Based on the diagram, Filipinos take into consideration the perceptions and expectations of other people as part of the individual system. This is embodied in the highly Filipino culture of "*pakikipag-kapwa*", which pays significant attention to the impact of other peoples' viewpoints onto the self. Given this, the decision-making process appears to rely to a great extent to these external influences (perceptions and expectations). Corollary to that, what drives Filipinos to venture in either employment or entrepreneurship is rooted from their decision-making process intertwined with the external influences. In the end, the economic advancement in the country remains to be a product of the Filipinos' choice of employment over entrepreneurship or the other way around (entrepreneurship over employment).

Figure 1: Schematic Diagram of the Culture-Based Decision in Economics Theory



The decision to choose employment over entrepreneurship or vice versa has a great impact on the Philippine economy. Getting employed only contributes to the economy a portion of his salary as a monthly income in the form of tax. This is referred to as the taxable income of an employee after the allowed deductions from the gross income; late/tardiness, allowances, SSS contribution, Philhealth contribution, HDMF contribution, and personal exemptions (2009 Philippines Tax Computation, 2009). This means a very minimal amount goes to the government as part of his obligation to the country; however, enjoying more benefits of being employed from the employer as required by law. The government ensures protection of employees from any forms of exploitation.

Venturing into business creates a wide spectrum of contribution to the government. Businesses are the main drivers of the economy. Aside from employers paying taxes to the government, it also creates job opportunities for the people which are what the government is after for. The greater the number of people employed, the greater is the economic impact. The bottom line for all of these is the level of monetary contribution that someone or something can do to the economy. These

projects and the delivery of services which in turn can be enjoyed by the people.

Theory Validation

Hypothesis:

Ho1: The acceptability levels of other people’s perception (and/or expectations) impact on the degree of decision-making among Filipinos.

The filipinos’ fear of shame has led them to resorting to inquire what others have to say about something so that when everything fails, he won’t be solely blamed for the failure and would have something or someone to pinpoint to. “Hiya” in Tagalog is better known as shame in English, a word that most Filipinos tend to avoid in any undertaking (Chino, 2013). The shame can lead them to resort to do things that are not morally upright yet, it becomes acceptable to many. An example to this is the shame of losing in a competition. If they don’t win, they resort to sourgraping like they were cheated even if the winner truly deserves. Another is that parents are proud of the achievements of their children in school



especially when they receive awards and honors. This extends at home by framing these certificates and displaying them as decors so that others can see and recognize. This is because of the Filipinos' desire for recognition and acceptance in the society. Shame leads to doing wrong like lying, pretensions, etc. and to avoid this, soliciting other people's opinion or advise is needed. Added to this, the onion skinned characteristic of a Filipino makes it difficult to handle shame.

Ho2: Filipino students enrolled in non-entrepreneurial business programs are not willing to venture into entrepreneurship.

One manifestation of graduates in non-entrepreneurial business programs' non-willingness to venture in entrepreneurship is the high level of unemployment in the country. The unemployment rate during the first quarter of 2013 reported by the National Statistics Office (NSO) as cited by Taborda (2013) is registered at 7.5% from the previous fourth quarter rate of 7.1% in 2012. The unemployment rate is the percentage of the labor force which are unemployed and actively looking for job. This means, instead of utilizing their knowledge gained from education and the skills acquired, most of them prefer to look for employment rather than going into business. In 2011, more than 400,000 nurses were not employed added to the 80,000 board passers each year joining the ranks. Most of these graduates end up working in call centers which only require a one-month training (Abelgas, 2013).

Ho3: The entrepreneurship index of a certain country impinges on its economic growth and development.

The Organization for Economic Cooperation and Development (OECD) during its 2nd ministers' conference on promoting entrepreneurship and

innovative SMEs in a global economy held in Istanbul, Turkey in 2004 cited that entrepreneurship is a key towards development particularly with respect to innovation, and its vital structural and dynamic role in economies (Fostering entrepreneurship and firm creation as a driver for growth in a global economy, 2004). It further states that encouraging entrepreneurship is increasingly known and identified by governments as effective ways of jobs creation; productivity and competitiveness amplification; and poverty alleviation and societal goals achievement.

Conclusion

Culture directly affects the decision-making process of a person. The decision on whether to get employed or to get into business relies heavily on this factor. The behavior that a person learns from his environment, especially those which are exhibited and taught to them by the people who have direct contact with them, are being collected and form part of the full range of his or her behavioral patterns. This includes the knowledge gained since birth, the belief that once formed, the art acquired from education, the law that was made known, the morals inhabited, the custom lived, and other capabilities and habits acquired by a person as member of society (O'neil, 2006).

One's inclination to employment does not bring much impact to economic growth. In fact, it is entrepreneurship that opens and creates opportunity for employment. Thus, the need for foreign investors to come and invest in a country continues to be significant. Likewise, venturing into business creates much impact to the economy as it open doors for job creation, poverty alleviation and reduction, and productivity and competitiveness enhancement.

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