

The Influence of Chinese Characteristic Entrepreneurship on Enterprise Development

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Abstract: Entrepreneurship is around discussed as the development of the national economy and the progress of the enterprise market. An increasing number of researchers support that advocating the appropriate entrepreneurial spirit is the key to the efficient and sustainable development of enterprises. This paper talks about the Chinese characteristic of entrepreneurship and how it affects the development of Chinese enterprises. With the expanding discussion of the three key spirits in entrepreneurship which are innovation, practice, and revolution, the frame of general entrepreneurship is presented in this article. By combining the cultural style, social environment, and entrepreneur origin with general entrepreneurship, this paper talks about the formation of entrepreneurship with Chinese characteristics. The specific patriotism and integrity contained in Chinese entrepreneurship perfectly adapt to the Chinese enterprise and market. It is not only the spiritual inspiration of the enterprises to attain a high-speed and efficient development, but also the implicit criterion that inspects the harmful behavior and ensures efficiency among enterprises. The development of entrepreneurship with proven Chinese characteristics also brings the development of the enterprise and national economy.

Keywords: entrepreneurship, culture, innovation

1. Introduction

1.1. Background and Motivation

Spirit is the key on which a nation depends for a long time. It is formed and affected by a series of historical evolution. For instance, the United States as the representative of the past two or three hundred years, advocating science and developing rapidly until playing prominent roles in the world. Those countries or territories uphold freedom and be good at breaking rules to explore the new truth. This provides a positive condition for the development of entrepreneurship. As for the ancient eastern Asian culture like China, with such a long historical cultural heritage, it possesses a various, proven, and continuously evolutionary cradle of culture. In this way, it has to say that the Chinese characteristic of entrepreneurship is derived from its special national culture. The flourishing development of Entrepreneurship is an important key point for the economic evolution in the new era. The level of economic development of a country directly influences its employment environment, market harmony, and social stability [1]. To study how to maintain a high-speed and stable economic development in China, it is necessary to figure out representative entrepreneurship in the new era.

Throughout the history of the economy around the world, the appearance of each critical point or milestone is often accompanied by events that reflect the impact of entrepreneurship. In the first industrial revolution, Watt who transformed the steam engine was not only an inventor but also an entrepreneur that invested in electronic technology. One of the marks of the Second Industrial Revolution was Henry Ford's introduction of the assembly line at the Ford Motor Company, the pioneer of entrepreneurs as well. Also, many information-technology-based enterprises are leading the third Industrial Revolution [2]. Thus, the formation of mature entrepreneurship leads to the appearance of creative entrepreneurs or enterprises, then stimulating the high-speed and efficient development of the economy. Even open a new era through the consequent economic evolution. Thus, it is necessary and significant to talk about entrepreneurship with Chinese characteristics and its influence on enterprise development. This paper aims to talk about the characteristics of the entrepreneurship in Chinese style and how it formed. With the consideration of the development of enterprise, this research analyzes how it is influenced by entrepreneurship with Chinese characteristics.

1.2. Literature Review

The current entrepreneurship research mainly concentrates on the discussion about the formation and characteristics of the specific spirit that exists in the Chinese enterprise. Some Chinese researchers discussed that the reasons for the great strides of the private economy and the rise of private entrepreneurs are multifaceted since the reform and opening up strategy. It is important that the essence of Chinese traditional management culture and the spirit of the era are coalesced to form a private entrepreneurial spirit with the characteristics of the era and the nation. There is some evidence that supports the important impacts that entrepreneurship plays in the development of the Chinese economy. Qi makes an in-depth study of the generation logic, value implication and promotion path of entrepreneurship in the new era. This research deepens the understanding of the importance of promoting entrepreneurship [3]. Zhu and Xu construct a mediation effect model to investigate the relationship between entrepreneurship and technological capital accumulation and the indirect influence of dynamic capability. Their research proves that Entrepreneurship can significantly promote the accumulation of technological capital from the view of empirical [4]. Xing discusses that when starting a new journey of comprehensively building socialist modernization, further promoting entrepreneurship is not only a basic requirement for stimulating the vitality of enterprises; but also, an important factor for building a new development pattern, building a modern economic system, and promoting high-quality development [5]. All these studies prove the significant impacts of entrepreneurship on the development of the whole economy.

Some researchers explore the relationship between entrepreneurship and enterprise innovation performance. It is found that the entrepreneurial spirit has significantly promoted enterprise innovation. Liu finds that entrepreneurship has a significant positive impact on firm innovation behavior under economic uncertainty, and the concentration of knowledge power plays a completely mediating role between the two. The self-efficacy of leadership crisis positively moderates the role of entrepreneurship on firm innovation behavior. The stronger the self-efficacy of leadership crisis, the stronger the role of entrepreneurship on firm innovation behavior [6]. In addition to enterprise innovation, the current related research also focuses on the relationship between entrepreneurship and other spirits. It shows that entrepreneurship plays an important impact on the high-quality development of enterprises from three dimensions which are innovation spirit, risk-taking spirit, and responsibility spirit [7]. These studies demonstrate that whether it is at the city level or the enterprise level, entrepreneurship promotes the high-quality development of the urban economy and enterprises. Although there are so many studies strengthening the importance of entrepreneurship in economic

development, it is still hard to find an article that summarizes the specific characteristics of Chinese entrepreneurship and how it influences the development of enterprises.

2. The Entrepreneurship with Chinese Characteristics

2.1. The Spirit of Entrepreneurship

The entrepreneur is a specialist in business operation and management. They are good at distributing limited resources to attain maximum profit. In the business management environment, the entrepreneur forms a kind of ideology and behavioral pattern that embody the characteristics of their own industry or business. And it is the general meaning of the spirit of entrepreneurship. This spirit could be represented in the following three aspects.

The first is the innovation. Among the successful entrepreneur around the world, although their experiences and achievements are different, they all have a common feature which is the strong motivation for innovation. This kind of innovative spirit pushes enterprises to use their brains to create new ideas in business operations. With the continuous adoption of new scientific research results and technologies, the enterprise would continue to develop new products or open a new model of service. This spirit is like the engine that motivates the entrepreneur to continuously innovate and energize the enterprise. That is why many scholars and entrepreneurs regard an innovative spirit as the typical characteristic of entrepreneurship [8]. The famous economist Joseph Schumpeter pointed out that only those who have an innovative spirit, make a creative reflection of the economic environment, and push the enterprise or industry to constantly develop could be seen as eligible entrepreneurs.

The second is the practice. An entrepreneur is not only a strategic manager, but also an operation taker. The success or achievement they attain might benefit from their prediction view of market fluctuation, keen insight into the opportunity and the right direction of strategy formulation. But the most important process among the whole business is to constantly practice. It is impossible for entrepreneurs to avoid market risk and grasp the opportunity only relying on their existing knowledge from a university education and formidable business instinct always correctly. They need abundant experiences to enrich their cognitions that support the innovative and sustainable development of enterprises. It is their determination of undertaking the strategy and advocacy of practice that help to accumulate a lot of practical experiences that ensure the long-term development of the enterprise [8]. Without thousands of practices and insistence on the appropriate strategy, the final success or achievement is only the daydream.

The third is evolution. The innovative and practice spirit are the tangible characteristics of entrepreneurship, but the evolution is the intangible one. It is easy to find the first two from the entrepreneur's daily new ideas and operational practice. However, the evolution is hard to be seen during the routine process of the business. To explain the evolution spirit, it is necessary to first distinguish the difference between the entrepreneur and the manager. Unlike the general manager, the entrepreneur is the pioneer in the industry. The manager is common to maintain the operation of the enterprise and attain the market share for profit [9]. Managers might help the enterprise develop well; however, they cannot set up a new dimension of the enterprise. Entrepreneurs could make the enterprise be recognize by society and achieve rapid expansion in a short time with the limitation of cash flow, talent, and market share at the beginning of the business. The evolution spirit reflects that entrepreneurs never feel satisfied with current achievements, they aim to seize each opportunity to expand the business and develop the enterprise.

2.2. The Formation of Entrepreneurship with Chinese Characteristics

The spirit of entrepreneurship is not innate but is gradually formed and developed with the synergistic effect of cultural features, social environment, and individual origin. To talk about the formation of

entrepreneurship with Chinese characteristics, it is necessary to combine the representative spirit of entrepreneurship with the Chinese culture, social environment, and the entrepreneur's origin.

Culture itself is a kind of spiritual wealth of society, and it naturally has a deep influence on the formation of the spirit of the entrepreneur. Therefore, with the different cultural backgrounds, the spirit of the entrepreneur would be different. The Chinese culture has cultivated the spirit of self-restraint, hardworking and patriotism. In this way, it cannot simply summarize Chinese-specific entrepreneurship with innovation, practice, and evolution. Hardworking, self-restraint, and patriotism must be adopted in innovative ideas and practical activities.

Entrepreneurship reflects the inclination of the current social environment. In the modern history of China, due to political corruption and economic backwardness, many industries were controlled by foreign invading forces, who tried to exclude and attack Chinese national industries. Thus, opposing the invasion of imperialists and revitalizing the country became the most important social inclination at that time. There is no doubt that this characteristic had a strong impact on the enterprise industry and entrepreneur generations at that time [10]. All the entrepreneurs were holding the faith to save the country to devote themselves to the business industry. Also, China has adopted the policy of reform and opening up, so reform has become a social trend and a characteristic. This feature also has a strong influence on Chinese entrepreneurs, who have a strong spirit of reform and pioneering until now.

The origin of the entrepreneur directly affects the formation of the entrepreneurship such as the educational level, experience of growth, personality, and family environment. For example, highly educated entrepreneurs, especially those who graduate from universities and scientific research institutions, have an innovative spirit possibly stronger because they have a wide range of knowledge and a clear understanding of the development of modern science and technology. They also have a certain research and development ability. On the contrary, some entrepreneurs rise from apprentices and work, because of their hardworking and arduous experiences, they are particularly strong in the spirit of hardworking and endurance [11]. Chinese craftsman spirit is reflected in Chinese contemporary entrepreneurship.

To sum up, the facts above that affect the formation of entrepreneurship, it is obviously divided into two aspects which are social factors and personal factors. Social factors generally encourage entrepreneurs to form some of the common spirit. Personal factors prompt a single entrepreneur to form a spirit that represents a specific personality.

3. Entrepreneurship in the Development of Enterprise

3.1. Spiritual Inspiration of the Enterprise

The spirit of entrepreneurship is a kind of treasure of Chinese society. It is extremely important to the construction of both social civilization and material foundation. It is also the inspiration for enterprise development in China.

Entrepreneurship is the spiritual support of the enterprise to attain achievement and development. In addition to having a certain material basis, it must also have a fine spirit support to attain the development. That is entrepreneurship. Because there are thousands of workers in the industry, and they have different ages, gender, educational background, and growth experience. It is impossible to form a common sense of value and behavioral habits in the industry [12]. However, if there is no such common sense of value and practice norms, it is difficult to maintain a high degree of coordination between all departments of the enterprise. That leads to problems in effectively carrying out the production of the enterprise. Moreover, enterprises survive in a constantly changing environment, and enterprises will certainly encounter many difficulties and setbacks during development. If there is no strong entrepreneurial spirit, it is impossible to make the staff tightly together to deal with all

kinds of crises and challenges. And entrepreneurship is the role model of enterprise practitioners. For example, if the leader of the enterprise has a lack of positive spirit style, but still put forward a very high demand for employees. This would lead to a negative impact on the enterprise. On the contrary, if the entrepreneurs themselves have a good spiritual style, they would definitely have a very high prestige among employees. Then the job requirements are easy to be accepted. And this positive spirit influences the employees to form a similar spiritual style. Then it improves the enterprise cohesion and operational efficiency. Thus, it inspires the development of the enterprise.

The spirit of entrepreneurship forces to promote the development of the enterprise. From a directive view, entrepreneurship combines innovation with a practical spirit to seize the market opportunity. Through effectively putting technical innovation into practical production, renovate the past products and innovate the new ones. The enterprise or industry would be promoted and developed along with the change of production conditions and mode for each technical revolution point. From an indirect view, entrepreneurship sets a positive example for the management staff. That managerial talent would spontaneously study entrepreneurship from spirit style to deed mode.

3.2. Implicit Criterion

The main influences brought from entrepreneurship are shown in innovation, practice, and revolution. With the combination of Chinese characteristics, Chinese enterprise is also influenced by patriotism and integrity. These two spirits perfectly integrate the three basic facts and form the implicit criteria that help the enterprise to effectively operate and healthily compete with others in Chinese market.

Patriotism in entrepreneurship can be extended into two aspects which are responsibility and collaboration. Responsibility means Chinese entrepreneurs take the national welfare and social development as their own responsibility, rather than just focusing on the economic data. In this way, in the strategy of Chinese enterprise, it is easy to find that there is more care about social employment than just profit consideration. Chinese entrepreneurs recognize that developing their own businesses or enterprise through technical innovation and practical operation would only create relatively high economic indicators. The existing and potential societal problems such as employment would not be alleviated. Even some aggressive innovative strategies would bring severe shock to the existing industry. That is to say, the new one is built based on the death of the old one [13]. However, the labor force and other material resources invested in the old industry cannot be transferred into the new one immediately. Thus, Chinese enterprise takes employment and social welfare as their own responsibility. Besides profit consideration, each innovative idea or practical operation they make would fully reflect their social responsibility. In the entrepreneurship of Chinese style, innovation is based on social responsibility. Collaboration plays an important role in the development of the Chinese market economy. Collaboration spirit is deeply rooted in the Chinese entrepreneur. It is difficult for an enterprise to develop independently in a complex and changeable market environment. For instance, when some enterprises create an innovative idea, it is common for them to collaborate with other business entities to undertake this innovation strategy. The reason is that an innovative idea in the process of a product or service needs a lot of support from the labor force and material resources. It is impossible for a single enterprise to deal with both the existing business and the innovative future strategy with limited resources. In this situation, cooperating with other enterprises and sharing creative ideas is an efficient solution. Also, collaboration appears between the government and the enterprise. Enterprise puts into productivity with the strategic instruction of the government [14]. This sufficiently takes advantage of the enterprise's energy and the government's control. Thus, with the responsibility and collaboration spirit in entrepreneurship, Chinese enterprises could both maintain highly efficient development and contribute their ability to social development.

Another specific characteristic of Chinese entrepreneurship is integrity. The integrity of the enterprise industry is embodied in its reputation. And maintaining an attractive enterprise reputation

needs entrepreneurs to ensure the high quality of their product and service in the whole business process for a long time. That means there is an implicit but necessary criterion that all the business processes, from the raw material procurement to the ending product or service, must be strictly undertaken by following the market rules or standards. Speculating to save costs and make more profit is never tolerated in entrepreneurship. Entrepreneurs with integrity spirit realize that speculative behavior only makes short-term profit and does long-term harm to the customers and market. The whole industry would be negatively affected by the dishonest operation. And this recession would lead to huge losses for each enterprise in the market compared to that short-term profit. Thus, integrity spirit exists in innovation, practice, and revolution facts of Chinese entrepreneurship and forms the implicit criterion.

4. Conclusion

This paper offers three general spirits that existed in entrepreneurship which are innovation, practice, and revolution. All three spirits are the typical characteristics shown in the ideology style and behavior pattern of the enterprise or entrepreneur. To talk about entrepreneurship with Chinese characteristics, it is necessary to take the cultural factors, social environment, and the entrepreneur's origin into consideration. And the formation of the entrepreneurship in Chinese style is clarified. Chinese-specific entrepreneurship in this article means patriotism and integrity spirit. Focus on innovative strategies and effective practices only might bring a relatively high economic indicator. Possibly, it brings some social problems such as unemployment and market inefficiency. From this perspective, it is reasonable to add patriotism and integrity to Chinese-specific entrepreneurship. With the implicit criterion of social responsibility, loyal collaboration, and sustainable integrity, entrepreneurship with Chinese characteristics would lead to the high-speed and efficient development of Chinese enterprises.

Entrepreneurship needs to be around spread and developed as the development of the national economy. Although entrepreneurship might be discussed from different directions in different areas or markets, the core spirits contained in it have similar positive effects on enterprises. It is not only the spiritual inspiration for all the employees in enterprises but also the regulations that inspect the negative conduct in the market like speculative operation. There might be further study that connects the factors of entrepreneurship with the characteristics of the market. Hopefully, this article could motivate the entrepreneurs and relative researchers to strengthen entrepreneurship with certain Chinese characteristics in both enterprise operation and theoretical research.

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