

# Chapter 79

## Religiosity and Entrepreneurship Intentions among Pentecostal Christians

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### ABSTRACT

*Religion has been identified as an important determinant of economic behaviour because the event of enterprise creation is seen to be a consequence of the association between environmental conditions and the entrepreneurial behaviour of individuals determined by their socio-cultural background. Studies have examined how religious beliefs influence the entrepreneurial intention of the adherents, and to understand whether it is doctrine, practices, organisation or culture of religion that shapes this entrepreneurial propensity. This chapter examines the issue of religion-entrepreneurship link among the Pentecostal Christians in Nigeria and in Diaspora, by reviewing both theoretical and empirical literature. It looks at how Pentecostal theology has legitimised entrepreneurship and examines the mechanism through which is imparting entrepreneurial values and affecting patterns of thinking of the adherents. The chapter provides overview of what make them display psychological traits and attitudes consistent with entrepreneurship as a result of success-oriented theologies.*

### INTRODUCTION

Religion, as an integral part of a cultural system, is widely believed to be important in promoting social solidarity and reinforces social norms and values (Wilson, 1982; Little, 2016). This is because it makes the adherents share common beliefs and value system. Religion has also been identified as an important determinant of economic behaviour. The relationship between religion and entrepreneurship dated back to as early as Adam Smith and Max Weber. According to Adam Smith, as quoted by Anderson (1988), participation in religious sects could provide reputation signal and extra-legal means of establishing trust.

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Also, Weber (1930) hypothesised that people with more protestant work ethic, which stresses the moral value of work, self-discipline, and individual responsibility, is likely to become and succeed as entrepreneurs. Weber (1930) therefore concluded that the event of enterprise creation, which is the essential activity in entrepreneurship, can be seen to be a consequence of congruence between environmental conditions and the entrepreneurial behaviour of individuals determined by their socio-cultural background.

Recent thoughts on the religion-entrepreneurship link also indicate that religion can provide the environmental munificence supportive of entrepreneurship (Drakopoulou, Dodd & Seaman, 1998). This, according to these authors, is because of its emphasis on honesty, perseverance, bravery, foresightedness, hard work and other general ethical standards. Religion, therefore, provides a legitimising and supportive atmosphere for entrepreneurship. According to Nikolova and Simroth (2013), adhering to religion and its practices exposes one to new behavioural patterns which can alter the lifestyle of adherents in all its ramifications. Hence, the teachings and precepts of religion serve as precursors to the development of traits, values and motivation for entrepreneurship. In the word of Weber (1930), religion ignites some characteristics in individuals which propel them into desiring to achieve more and as such become inquisitive, goal-driven and achievement-oriented. Therefore, by placing creativity or willingness to bear risk in a positive light, through teaching, the belief of adherents may be associated with greater productive entrepreneurship. While supporting this assertion, Parboteeah, Walter, & Block, (2015) opined that individuals are more likely to pursue entrepreneurial careers in highly religious environments because religion shapes an entrepreneurship-friendly atmosphere by valuing hard work and thrift, by helping to cope with the burden of uncertainty, and by providing access to critical resources and information.

Therefore, since the period of Adam Smith and Max Weber, various scholars have examined how religious practices or beliefs influence the entrepreneurial intention of the adherents, and also to understand whether it is doctrine, practices, organisation or culture of religion that shapes this entrepreneurial propensity. The empirical relationship between religion and entrepreneurship has also been analysed on both micro and macro level; and has been studied within one religion and across multiple religions (for examples, see Audretsch, & Meyer, 2009; Rietveld & van Burg, 2013; Zelekha, Avnimelech & Sharabi, 2014). Within these works of literature, there are some efforts to understand the influence of Christian religion on the entrepreneurial intention of the adherents in African countries. One study along this line was carried out by Ojo (2015), who examined how African Pentecostals use the structure of their religion to re-enact their entrepreneurial ideals and uniqueness and develop enterprising attitude and altitude. The study was however carried out among the adherents of an ethnic church in the United Kingdom (UK) who are of Africa origin. Also, Gross (2014) examined the influence that churches have on development in the sub-Saharan African region. The study tested whether or not the number of churches in the region has a positive influence on economic development and entrepreneurship. Another study is an exploration of how African-Caribbean Pentecostals used the platform of their faith to reconstruct their entrepreneurial values and identities, improve entrepreneurial learning and exploit the cultural resources of faith-based networks to promote and sustain entrepreneurialism (Gbadamosi, 2015; Nwankwo & Gbadamosi, 2013). The findings indicate clear connections between motivation for entrepreneurship, entrepreneurial orientation, entrepreneurial learning and religious orientation among these entrepreneurs.

Furthermore, a related study that focused specifically on Nigeria is an analytical and evaluative study of the impact of social-cultural environment on entrepreneurial emergence (Akpior-Baro, 2012). The study, which is a theoretical survey of the socio-cultural characteristics of Nigerian society and its major sub-societies, explored the relationship between socio-cultural environment (especially religion)

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