Relations between Prejudice, Cultural Intelligence and Level of Entrepreneurship: A Study of School Principals

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Abstract

The aim of this study is to determine the mediating role of prejudice in the relationship between the cultural intelligence of school principals and the level of entrepreneurship. The design of this study was classified as correlational survey research. This study was designed by quantitative research method. The universe of this study constitutes 642 School Principals. In this study, the entire universe was reached and a “complete counting” technique was used. Relations between the variables of this study were examined by correlation and hierarchical regression analysis. Findings have shown that cultural intelligence is positively related to prejudice and entrepreneurship. As a result of the hierarchical regression analysis, the prejudice has been completely mediated-agent between the cultural intelligence and the level of entrepreneurship. The positive relationship between cultural intelligence and prejudice has been identified for the first time and this finding contributes exceptional data for literature. This research is also particularly important in that it is the first study to examine the relationship between the level of entrepreneurship, the prejudice, and the cultural intelligence. The findings are helpful to the educational and organizational literature, but in practice, they will provide strategic alternatives for school principals to engage in entrepreneurial activities.

Keywords: Prejudice, Cultural intelligence, Level of entrepreneurship, School principals.

Introduction

Schools are social organizations within which many different kinds of problems can be encountered, although this kind of problems can be overcome with a support that can be taken from the outside. There are presences of various elements (such as, legal regulations, an inadequacy of capital and information, experience and communication problems) that restrict the entrepreneurial activities of school systems (Balcı, 2008; Çınkır, 2010). It is important that the internal factors are associated with decision makers (principals, managers etc.) among the factors that restrict the entrepreneurial activities of the schools. This is because, in schools, decisions are usually taken more centrally by principals and also, the decisions cannot be questioned by any school employee (Ersoy, 2010; Schein, 2010; Sommer, 2010). Additionally, the characteristics of the manager
(prejudice, personality, attitude and thoughts) directly influence the actions, climate, and productivity of the school (Balcı et al., 2012).

School principals’ positive attitudes towards entrepreneurial actions can affect the school’s success. At the same time, entrepreneurship comes to the forefront as an individual characteristic of the school principal. The entrepreneurial character that the school principal has is also an indication of his or her cultural accumulation (Elenkov & Manev, 2009). At this point, cultural intelligence, which is part of individual cultural accumulation, becomes evident. Cultural intelligence is proposed to enable school administrators to carry out entrepreneurial activities such as having information about different people, interpreting this information, learning different cultural components and directing verbal or non-verbal behaviors towards the acquired information in the direction of supporting this entrepreneurship (Aytac & Ilhan, 2007; Mercan, 2016; Triandis, 2006).

Cultural intelligence is a set of skills that enable an individual to function or succeed effectively in different cultural settings or in multicultural settings (Brislin et al., 2006). Cultural intelligence arises from interaction with other people, unlike cumulative cultural structures that one possesses. From this perspective, as Yeşil (2010) points out, managers and leaders with cultural intelligence are the most important strategic assets for organizations. It is not the case that the cultural intelligence is considered separately from the prejudices of the person. Prejudice is a concept associated with cultural intelligence. Prejudice is a situation or a precondition that there has been a decision beforehand, without getting enough information about a person or a thing (Dovidio & Gaertner, 1986). Prejudice is a form of behaviour with negative outcomes and has wide-ranging implications both on the individual and the organizational basis. One of the behaviours affected by prejudice is entrepreneurship, which is an important act of increasing organizational effectiveness and is usually manifested by managers. Entrepreneurship can open new paths for executives to advance a new insight and purpose. The level of entrepreneurship, on the other hand, is a positive attitude towards managers' entrepreneurial activities (Shapero & Sokol, 1982). Recent research has shown that managers' cultural intelligence and level of entrepreneurship are contributing positively to the entrepreneurial activities of organizations (Antonio et al., 2014; Crowne, 2013; Fidan & Ozturk, 2015; Javalgi et al., 2014). In addition, Sommer (2010) reports that managers' approach to entrepreneurial activities without prejudice may affect the level of entrepreneurship.

In the literature, studies on the level of entrepreneurship seem to be mostly confined to determining the personal characteristics of entrepreneurs (Bozkurt & Erdurur, 2013; Ersoy, 2010; Fis & Wasti, 2009; Ramirez, 2010; Sookhtanlo et al., 2009). In addition, cultural intelligence studies have been worked on with different concepts such as personality traits, negotiation, individual performance, interpersonal trust, organizational citizenship (Balcı et al., 2012; Ilhan & Cetin, 2014; Imai & Gelfand, 2010; Lee & Sukoco, 2010; Rockstuhl & Ng, 2009). Entrepreneurship and cultural intelligence have been the subject of various researches. Cultural intelligence, however, has been identified as a concept emerging in research (Arastaman, 2013; Chen et al., 2012; Crowne, 2013; Elenkov & Manev, 2009; Yeşil, 2010). There are studies on the concepts of cultural intelligence and prejudice (Çetin, 2014; Greenwald, 2014; Lin et al., 2012; Mercan, 2016; Rentschler, 2012; Simpson & Yinger, 2013; Vernon, 2014; Yilmaz & Kaya, 2016).

However, there are no published studies that deal with the concepts of cultural intelligence, prejudice, and entrepreneurship at the same time. This study aims to determine the nature of the relationship between concepts. In addition, eliminating the shortcomings of the field is another purpose. The study focuses primarily on the
intermediary role of the prejudice between the level of cultural intelligence that is desired to be studied but which has not yet been studied, and the level of entrepreneurship. The present study revealed unique associations that were not found in the current research results in the literature. Research has the distinction of being the first and foremost research that studies cultural intelligence, prejudice, and level of entrepreneurship with descriptive analysis.

Theoretical Framework

As a concept, cultural intelligence can be expressed as the ability to adjust and effectively manage the relationship with different people and cultures. In addition, cultural intelligence is the ability to solve problems (Early & Mosakowski, 2004). Cultural Intelligence (CQ) is a composite of intercultural talents and skills (Earley & Ang, 2003). Gardner's (1999) cultural intelligence, based on multiple intelligence theory, is associated with cognitive intelligence (IQ) and emotional intelligence (EQ) which are widely used in the field of management. Today, cognitive, emotional, and social intelligence are not enough for global managers (Brislin et al., 2006), and they are required to have the cultural intelligence to solve problems and be successful in multicultural environments. Global corporations perceive cultural intelligence as a strategic skill and competitive advantage. Cultural metacognition, together with cultural knowledge and skills, constitutes cultural intelligence, resulting in behaviour that includes cultural intelligence (Thomas et al., 2008).

The concept of cultural intelligence, which is relatively new and up-to-date in the field of organization and management, is defined differently in many studies. Although there is no general consensus among the definitions, there are certain characteristics of cultural intelligence. Cultural intelligence is characterized by adapting to new cultural environments (Earley & Ang, 2003), intercultural interactions (Van Dyne & Ang, 2005), understanding the basis of intercultural interaction and rational approach, creating skills and behaviours that can be applied in different intercultural settings (Moon, 2010) can be determined to successfully adapt to unusual, diverse and new cultural environments (Earley et al., 2006) and to interact with people with cultural differences (Thomas & Inkson, 2009). Cultural intelligence is defined as "a system of knowledge and skills connected with the cultural metacognition in which people are able to adapt and shape the cultural conditions in their environment" (Thomas et al., 2008).

The components of cultural intelligence are classified as metacognitive, cognitive, motivational, and behaviour, based on the multi-dimensional intelligence model of Sternberg and Detterman (1989). Metacognitive cultural intelligence includes mental processes that the individual has in understanding and acquiring knowledge about different cultures (Özsoy et al., 2009; Simpson & Yinger, 2013). Cognitive cultural intelligence refers to the individual's knowledge of the economic, social or legal structures and cultural values of different cultures (Lee & Sukoco, 2010). Motivational cultural intelligence is the capacity to direct the individual's energy and attention in the context of different cultures in the direction of obtaining information about these cultures (Ang & Van Dyne, 2015). Behavioural cultural intelligence refers to the capacity of the individual to exhibit verbal or non-verbal behaviours in the context of different cultures (Vernon, 2014). Similarly, managerial cultural intelligence expresses the capacity of managers to successfully interact with all stakeholders that are associated with the organization in order to be able to successfully interact with the individuals from different cultures and at the same time to reach the goals and objectives of the organization (Stevenson & Jarillo, 2007).
In the literature on cultural intelligence: the effects of cultural management training on cultural intelligence (Eisenberg et al., 2013), the five-factor personality traits and four-factor cultural intelligence relationship (Van Dyne et al, 2006), the differences between emotional and social intelligence and cultural intelligence (Kim et al., 2011; Moon, 2010), the relationship between international experience and cultural intelligence (Crowne, 2008; Shannon & Begley, 2008; Tay et al., 2008), the effects of short-term intercultural experience on the dimensions of cultural intelligence (Engle & Crowne, 2014; Wood & Peters, 2014) have been examined. In a number of studies, it has been found that intercultural management training is more effective on the metacognitive and cognitive dimensions of cultural intelligence (Eisenberg et al., 2013). In some studies, it has been determined that short-term abroad experiences are influential in all dimensions of cultural intelligence, except the behavioural dimension (Wood & Peters, 2014). As a personality trait, it turned out that being outwardly related to all dimensions of cultural intelligence (Ang et al., 2007).

Yeşil (2009) examines the concept of cultural intelligence as a strategy used in the management of cultural diversity and analyses the practices of different businesses related to the topic. Yeşil (2010) interrogates the concepts of culture, intelligence, and cultural intelligence. Sahin (2011) examined the leader's cultural intelligence on subordinates' organizational citizenship behaviour and the effects of job satisfaction on leaders and subordinates working in an international military organization. It has been determined that the cultural intelligence components that are effective are motivational and behavioural dimensions. As a result of research conducted by Şahin and Gürbüz (2012) on multinational employees of a global organization, it has been found that cultural intelligence dimensions are positively related to organizational citizenship behaviour and task performance. Sahin and colleagues (2013) studied the existence of relationships between cultural intelligence, personality, and emotional intelligence on two separate samples involving employees and students in international accommodation operations. İşçi and colleagues (2013) also revealed the level of cultural intelligence in hospital enterprises with field research. As a result of the research, it was determined that the duration of institution and occupation was weakly correlated with the behavioural dimension and general score of cultural intelligence in the negative direction. Çapraz and colleagues (2009), conceptually examined managerial intelligence. In the study is emphasized that analytical, practical, creative, emotional, social, moral, spiritual, strategic, aesthetic, linguistic, spatial and kinaesthetic intelligence together with cultural intelligence constitute managerial intelligence in total.

The concept of entrepreneurship refers to enriching the workplace and realizing innovations in the production process (Covin & Slavin, 1991). The level of entrepreneurship refers to the extent to which an organization is engaged in entrepreneurial activities, and it can be determined by measures such as performance-based measures, structural measures, and behavioural measures (Sullivan, 1994). Entrepreneurship, which constitutes the basic dynamic of economic development, has a special precaution in terms of contributing to individual and social welfare. The concept of entrepreneurship, expressed in different forms in the historical process, in essence, can be defined as organizing jobs to make profits (Baltacı & Balci, 2017). It is possible to define entrepreneurship as the work of establishing a new organization and taking the initiative to organize some socioeconomic mechanisms and accept the risk of failure (Shaphero, 2002).

Hisrich (1990), described entrepreneurship as the duration of composing something dissimilar with importance by dedicating the indispensable time and endeavour, assuming the accompanying fiscal, psychological, and social risks, and receiving the resulting
rewards of monetary and personal satisfaction. The concept of entrepreneurship, in the early periods, was defined as to establish a business and undertake risks, subsequently, the concept was expanded by introducing innovative ideas, transforming these ideas into products and services, and adding marketing activities (Fidan & Balcı, 2016; Kirzner, 2015). In this point, to manage the investment process derived from the new ideas, to catch and to evaluate of opportunities, to risk of resources to use advantage of opportunities and ultimately the creation of a value is one of the most important qualities that brings a person entrepreneurial character and differentiates him from other individuals in society (Hisrich & Peters, 2002).

The level of entrepreneurship is the cumulative amount of innovative thinking that exists in the person (Sommer, 2010). If one has entrepreneurial qualities, the degree of showing these qualities indicate his level of entrepreneurship (Yukl, 2002). The level of entrepreneurship can be increased by supporting the innovative and entrepreneurial aspects of the person. From this point of view, the level of entrepreneurship defines a learning process (Fiş & Wasti, 2009). However, the level of entrepreneurship is influenced by various demographic variables, including age, educational background, and seniority. It is also emphasized in the literature that the managerial skills and managerial experience of a person also affect the level of entrepreneurship (Aytaç & İlhan, 2007). The level of entrepreneurship is also based on one's previous experiences. Entrepreneurial activities in one's career constitute his entrepreneurial experience (Takeuchi, 2005). Entrepreneurial experience can also be achieved in a learning outcome (Crow, 1992). Entrepreneurship Orientation is a learning process that increases the frequency of showing entrepreneurial behaviour patterns in the person. Entrepreneurship Orientation is a training process; One learns how to show entrepreneurial behaviour during this training (Covin & Slevin, 1986).

Prejudice is a way of taking sides in intra-organizational relations (Arastaman, 2013). It is also used to mean an unconditional support for an ideological idea or point of view. The prejudice is that a person's decisions are unilaterally emerging in a predominant way. Prejudice is also used to express that a person's decisions are subjective. Prejudice does not claim that a person does not use objective values while taking decisions. In short, the values that constitute the judgments of a person bring a discourse against the integrity. Prejudice can influence both individual and organizational decisions, and it can interfere with all activities of the organization. Prejudiced managers can make misleading decisions on many issues, including entrepreneurship and innovation. Prejudice expresses the negative orientation of managers towards entrepreneurial organization activities (Çubukçu, 2009; Kirzner, 2015).

In literature, the concepts of prejudice and instinct are often used in the same sense. Prejudice is often a negative attitude, while instinct is good or bad information about a phenomenon. Prejudice has been the subject to many kinds of studies in the field of management. These studies are usually focused on the prejudiced negative processes of decision making and discrimination behaviour. Most studies in the literature are theoretical, and in these studies, discrimination is discussed with a social psychological approach and prejudice is defined as discrimination, stereotyping, authoritarian personality (Göregenli, 2012; Paker, 2012).

Prejudice also has important implications in organizational life. It is a fact that in organizations, individuals have various prejudices because of their age, their profession, their sex, and race (Tutkun & Koç, 2008). In organizations, prejudices can emerge in various forms. Prejudices can also arise between employees, decisions, beliefs; etc. Such prejudices lead to behaviour that damages innovation, entrepreneurship, and productivity in organizations. These behaviours are humiliating jokes, swearwords, harassment, and
bullying; more confidential applications might be low pay, slow promotion, and systematic removal from various acquisitions, tighter control, high expectations and poor communication.

The most prevalent studies in social psychology, psychology, and education in recent years include ethnic or racial prejudices (Autry, 2010; Gürses, 2005), gender-based discriminations or prejudices (Koca & Bulgu, 2005; Kurt, 2007; Riley, 2016; Swank & Raiz, 2010), prejudices against ethnic or cultural groups (Coşgun, 2004; Gorski, 2008; Kunstman, 2011; Zick et al., 2001), prejudices against disabilities (Ballard, 1997; Deal, 2007; Tufan, 2008), prejudices in written texts (Ağaçsapan, 1996), and prejudice-religion relations (Sezen, 2002). In the field of education, gender-based prejudices (Baç, 1997; Skliar, 2007; Şimşek, 2010), religious prejudices (Kunduz, 2009), administrative prejudices (Bilir, 2000), and prejudices against foreign cultures (Gencer, 2009) were researched. In addition, issues of reducing or preventing prejudices are frequently discussed (Göregenli, 2013; Harrell, 2011).

It is also possible to find prejudices among the employees in the schools. In a research that examines the obstacles of female teachers to become managers, male managers have shown prejudiced attitudes towards female teachers (Şimşek, 2010). According to this, males are convinced that male managers have little desire for female teachers to work with them. Female teachers are not as tied up as men to their careers and are not as durable as men. Also, they are emotional and do not have the ability to make effective decisions. The male managers' belief in this pattern of judgment leads to negative and prejudiced attitudes towards the appointment of female teachers as administrators.

There are few studies in the literature on obstacles in front of schools' entrepreneurship. Among the most important obstacles faced by schools in these researches are: qualified manpower (Chau & Pederson, 2000; Uluğ, 1998), fear of competition (Karagöz, 2006; Leonidou, 1995), organizational and operational barriers (Balci, 1988; Hamill & Gregory, 1997), limited information about stakeholders (Leonidou, 2004; Su, 2003), technical impossibilities (Balci, 2008; Czinkota & Ronkainen, 2013; Kume et al., 2001) and constrained financial resources (Korkmaz, 2005; Leonidou, 1995).

In addition to the mentioned obstacles, administrative inadequacies are also important (Çınkır, 2010). The centralized decision-making mechanism in schools is quite common and administrators can reflect their own personal characteristics, behaviours, values, prejudices and cultures on these decisions. This can be explained by the “Upper Echelons Theory.” According to this Theory, the functions of organizations, the strategies they perform and the performance ratings are influenced by the character of the manager (Hambrick, 2007, Hambrick & Mason, 1984). Hambrick and Mason (1984), the prejudices of the managers influence strategic decisions, and these are directly reflected in the entrepreneurship level of the organization.

Barney's Resource Based View (1991) allocates the resources to be identified into three categories to provide prioritized strategic direction. In this categorization, which is divided into material resources, human resources, and organizational resources, managers are considered as internal factors affecting the organization. According to Barney, these resources belonging to the organization must be valuable, rare, easily substitutable and non-imitative. In the same way, the development of these four criteria in managerial talents provides a competitive advantage to the organization in terms of internal resources. In this context, the importance of the manager in entrepreneurial activities is to create both business performance and competitive advantage.

While some managers efficiently fulfil their managerial roles in intercultural environments, others do not. Yukl (2002) states that besides other features of the
managers have to understand the point of views of employees and other sharers who came from different cultures and to respect on their behaviours. With a similar approach, Schein (2010) notes that the culture and the manager are like ‘two sides of a penny’. Cultural intelligence can be explained by understanding, understanding and internalizing the cultural differences that are so important for managers. Briefly, the components of cultural intelligence also include in: to be aware of a foreign cultural differences, to be knowledgeable about those cultures, to be willing to learn those cultures, and to reflect cultural images and values in their verbal or non-verbal behaviours (Neff et al, 2005; Rentschler, 2002).

In the literature, studies on this subject have shown that managers with cultural intelligence show their talents better in entrepreneurial activities (Ang et al., 2007, Deng & Gibson, 2008). In this context, it is possible to say that managers take an active role in organizational entrepreneurship by taking into account the ‘Theory of the Upper Echelons.’ Also, in the literature, the cultural intelligence of school principals in entrepreneurial activities was found to be significantly higher rather than the cultural intelligence of non-entrepreneurial school administrators (Crow, 1992; Snell et al., 2016). Cultural intelligence is significant in terms of the prejudice of the administrators when evaluated with the composition of cognitive cultural intelligence. Hence, having knowledge about other cultures influences the behaviours and decisions of individuals (Swedberg, 2006). Behaviours and decisions are also motivated by prejudice attitudes, and judgments by the individual are emerging in this direction (Greenwald, 2014; Sanbonmatsu & Fazio, 1990).

In their research, Romano and Platania (2014) mentioned that cultural intelligence influenced by individual prejudices. Other research on cultural intelligence reveals that individuals with high cultural intelligence have a more effective decision-making mechanism in entrepreneurial settings (Ang & Inkpen, 2008). At the same time, past entrepreneurial experiences and foreign language knowledge can also influence the individual’s prejudice in the positive direction. Research on this subject has also been related to the fact that the entrepreneurial experience of the managers’ contributes to the ability to live in different cultural environments and to have the ability to do business with these cultures (Bandura, 1997; Takeuchi et al, 2005). On the other hand, school principals who can develop themselves on the entrepreneurial skills can make more strategic decisions on this issue (Knight & Kim, 2009; Wiklund et al., 2009). When assessed in this direction, it is possible to say that cultural intelligence developed with past experiences and foreign language knowledge is influential on the prejudices of the individual.

On the other hand, the personal characteristics, behaviours, and values of the principals who play an important role in the schools, directly affect the level of entrepreneurship of the school (Hambrick, 2007, Morgan, 2007). Hence, behaviour and decision-making are motivated by personal prejudices. In this context, it can be said that the entrepreneurial levels of organizations can be restricted by the prejudices of the manager against the entrepreneurial activities. The most prominent research that revealed this relationship in the related field was done by Knight (2001). According to Knight, the entrepreneurial tendencies of the managers are controlled by their prejudices, which directly indicate the performance of the organization.

In fact, it will be conceivable to say that the prejudice of the manager against the entrepreneurial activities will be moulded by the cultural intelligence and will directly affect the performance of the organization. Research in this connection, firstly, shows that school principals’ entrepreneurial experiences and their knowledge of foreign languages play a vital role in international projects and other entrepreneurial pursuits (Etemad & Wright, 2003). Entrepreneurial experience and prejudice are among the elements of
cultural intelligence (Early & Ang, 2003; Thomas & Inkson, 2009). Wilson and Stewart (2009) found that increasing the entrepreneurial experience and the level of cultural intelligence of the principals, have lessened their prejudice. Shokef and Erez (2008) noted that multicultural teamwork also enhances cultural intelligence and entrepreneurship, yet diminish prejudice. De Palma and Dobes (2010) designated that entrepreneurial experiences enhance cognitive cultural intelligence. Managers with high cultural intelligence found to be disassociated from prejudice (Romano & Platania, 2014). Positive prejudice, however, affects positively on school performance (Knight, 2001). From all these discussions, the aims and hypotheses of the research are presented below.

**Purpose and Hypotheses of Research**

The main purpose of this study is to investigate the mediating role of prejudice between the cultural intelligence of school principals and the level of entrepreneurship. For this purpose, this study examined the relationship between school principals’ cultural intelligence, prejudice, and level of entrepreneurship.

**Hypothesis 1 (H1):** The cultural intelligence of school principals affects the level of entrepreneurship of the school positively.

**Hypothesis 2 (H2):** School principals’ cultural intelligence are positively influencing on their prejudices.

**Hypothesis 3 (H3):** School principals’ prejudices about entrepreneurship affect the level of entrepreneurship of the school positively.

**Hypothesis 4 (H4):** There is a mediating effect of school principals’ prejudice between cultural intelligence and level of entrepreneurship.

**Method**

**Research Design**

A causal-comparative design was used as a descriptive survey model in this research. In this phase, the ‘Cultural Intelligence, Level of Entrepreneurship and Prejudice (CILEP) scale’ was used to determine the school principals’ views. Furthermore, some statistical techniques including the exploratory factor analysis (EFA), the confirmatory factor analysis (CFA), correlation and hierarchical regression analysis were used to analyse the data.

**Sampling**

This study was designed by quantitative research method. The universe of this study constitutes 642 elementary school principals in Ankara in 2016. In this study, the entire universe was reached, and a "complete counting" technique was used. It was determined that the survey scales reached to the target universe were completely filled. The elementary school principals included in the sample of this study has dwelled in the central and country districts of Ankara. Since access to all schools is difficult, the data collected from school principals were provided by official letters of the Ministry of National Education and official e-mail. In addition, the researcher in order to gather the data by went to the schools individually which were easy to access. As a result, 642 elementary school principals were reached in this study. The schools in this study were evaluated according to the number of employees: 9% micro scale schools (number of employees is 9 or less), 32.7% middle scale schools (10-50 employees) and 58.3% of them in large scale schools (the number of employees is 51-250). The average age of school principals participating in the study was 40.48 years (SD = 7.77) and the management experience was 7.57 years (SD = 2.04). Principals whose majority was male (86.7%); 28% of them had graduate level education, and 72% had education at undergraduate level.
**Measures**

The data in the study were collected by questionnaire method. The questionnaire includes the demographic information of the principals, as well as the variables and the control variables to be used in the study. The questionnaire used a 20-items scale developed by the researcher as a cultural intelligence scale. For the analysis, Kaiser-Meyer-Olkin (KMO) value was found to be 0.941 and Barlett’s test was significant ($p < 0.01$). There is a total of 20 items in total, and it is determined that there are 4 factors that will be the result of exploratory factor analysis. Correlations between the factors were found to vary between .31 and .54. As a result of the item analysis, it was determined that the total correlations of corrected items of the items on the scale ranged from .49 to .92. On the scale, reliability coefficients of cultural intelligence components were found to be above .70 (metacognitive $\alpha = .91$, cognitive $\alpha = .84$, motivational $\alpha = .85$ and behavioural $\alpha = .89$). The cultural intelligence scale was subject to confirmatory analysis. The results of the analysis of the cultural intelligence scale appear to be acceptable ($\chi^2 = 1098.96; p = 0.00$, $df = 346$, $\chi^2/df = 3.17$; IFI = .97, RFI = .95, RMR = .057, GFI = .83, AGFI = .80, CFI = .97, NNFI = .97, NFI = .96 and RMSEA = .075).

Prejudice scale consisted of 7 items developed by the researcher by drawing from the literature on prejudice. This scale's Kaiser-Meyer-Olkin (KMO) value was found to be 0.937 and Barlett’s test was significant ($p < 0.01$). On this scale, 7 items combine under one factor and reliability factor of the scale ($\alpha$) is .80. It was determined that the total correlations of items on the scale ranged from .32 to .84. The prejudice scale was examined by confirmatory factor analysis. The analysis values for the scale are acceptable ($\chi^2 = 1041.63, p<0.05$, $df= 326$, $\chi^2/df= 3.19$; RMSEA = 0.053, NFI = 0.98, NNFI = 0.98, CFI = 0.99, IFI = 0.99, GFI = 0.98, AGFI = 0.96, SRMR = 0.025). The entrepreneurship scale, developed by the researcher, and it consisted of 12-items. This scale’s Kaiser-Meyer-Olkin (KMO) value was found to be 0.897 and Barlett’s test was significant ($p <0.01$). On this scale, 12 items combine under one factor. It was determined that the total correlations of items on the scale ranged from .42 to .86 and also, the confirmatory analysis was applied to this scale, and the results were acceptable ($\chi^2 = 1051.17, p<.000$, $df= 316$, $\chi^2/df= 3.32$; RMSEA= 0.063, S-RMR= 0.048, GFI= 0.91, AGFI= 0.89, CFI= 0.98, NNFI= 0.98, IFI= 0.98). The level of entrepreneurship scale’s reliability factor ($\alpha$) is .83.

As a result, CILEP has 3 dimensions and 39 items (cultural intelligence: 20, prejudice: 7 and level of entrepreneurship: 12) and also, these items explain 74.85% of the total variance. The overall Cronbach alpha coefficient for CILEP is .88. According to this measurement tool, the entrepreneurial level of schools was determined with 5 different proportional measures. Each proportional criterion on this scale corresponds to a value between zero and one, and the sum gives the level of entrepreneurship. In the direction of the suggestions in the related literature, age and managerial experience of the principals (Ferwerda et al., 2013), entrepreneurship experience (Ang & Van Dyne, 2015) and entrepreneurship orientation (Covin & Slevin, 1986) used for the control variables in this study.

**Results**

Before testing, research hypotheses, decomposition validity of variables, were determined by using 'confirmatory factor analysis'. Thereafter, three different scales were integrally subjected to confirmatory analysis. In this analysis, three-factor (single-factor cultural intelligence + prejudice + entrepreneurship) model statistics ($\chi^2 = 1074.96; p = 0.00$, $df= 320$, $\chi^2/df = 3.35$; RMSEA = .079, GFI = .95, CFI = .93, IFI = .91, NNFI = .89) were found to be acceptable. According to these results, the data obtained from the research showed that
it complies with the one-factor model of cultural intelligence, and the analysis procedures continued in this direction.

In the study, correlation analysis was performed to determine the level of relations between variables. Table 1 shows the results of the correlation analysis between the main variables of the study (the cultural intelligence, the prejudice, the level of entrepreneurship) and control variables (age, managerial experience, and entrepreneurship experience and entrepreneurship orientation).

**Table 1. Mean (M), Standard Deviation (SD) and Correlation Analysis Results of Variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
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<th>7</th>
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<tbody>
<tr>
<td>1 Age</td>
<td>40.48</td>
<td>7.77</td>
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<td>2 Managerial Experience</td>
<td>7.57</td>
<td>2.01</td>
<td>.48**</td>
<td>-</td>
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<td>3 Entrepreneurship Experience</td>
<td>3.67</td>
<td>1.92</td>
<td>.17*</td>
<td>.01</td>
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<td></td>
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<td>4 Entrepreneurship Orientation</td>
<td>4.54</td>
<td>0.67</td>
<td>.01</td>
<td>.02</td>
<td>.07</td>
<td>-</td>
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<tr>
<td>5 Cultural Intelligence</td>
<td>4.96</td>
<td>0.98</td>
<td>.04</td>
<td>-.18*</td>
<td>.16*</td>
<td>.25**</td>
<td>-</td>
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<tr>
<td>6 Prejudice</td>
<td>4.65</td>
<td>2.02</td>
<td>.13</td>
<td>-.14</td>
<td>.04</td>
<td>.26**</td>
<td>.65**</td>
<td>-</td>
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<tr>
<td>7 Level of Entrepreneurship</td>
<td>0.32</td>
<td>0.11</td>
<td>-.04</td>
<td>-.29**</td>
<td>.13</td>
<td>.12</td>
<td>.37**</td>
<td>.44**</td>
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**Table 2. Hierarchical Regression Analysis Results**

<table>
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<tr>
<th>Variables</th>
<th>Prejudice</th>
<th>Level of Entrepreneurship</th>
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<td>Step 1</td>
<td>Step 2</td>
</tr>
<tr>
<td>Control Variables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.26**</td>
<td>.14*</td>
</tr>
<tr>
<td>Managerial Experience</td>
<td>-.27**</td>
<td>-.10</td>
</tr>
<tr>
<td>Entrepreneurship Experience</td>
<td>-.03</td>
<td>.02</td>
</tr>
<tr>
<td>Entrepreneurship Orientation</td>
<td>.26**</td>
<td>.11</td>
</tr>
<tr>
<td>Independent and Instrumental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variables</td>
<td>.60***</td>
<td>.36***</td>
</tr>
<tr>
<td>Cultural Intelligence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prejudice</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**R²**                   | .142      | .458  | .118   | .233   | .118   | .309  |

**F**                     | 6.00***   | 24.29***| 4.84** | 8.76***| 4.84** | 10.65***|

**p<.01; **p<.05 The values in the table are standardized Beta (β) coefficients.**
According to the results in Table 2, it was found that cultural intelligence, which is the independent variable of the study, has a positive effect on the level of entrepreneurship ($\beta = .36, p<.001$). At this point, the first hypothesis of the study (H1) is accepted. The cultural intelligence is positively related to prejudice, which is instrumental variable ($\beta = .60, p <.001$) and with this result, the second hypothesis (H2) is accepted. Moreover, the prejudice which is an instrumental variable has also a positive effect on the level of entrepreneurship ($\beta = .37, p<.001$) and with this result, the third hypothesis of research (H3) is accepted. When the instrumental variable (prejudice) has added on the model, the cultural intelligence effect on the level of entrepreneurship has decreased from $\beta = .36$ ($p<.001$) to $\beta = .13$ ($p >.05$). This result shows that the variable of prejudice is completely mediated by the influence of cultural intelligence on the level of entrepreneurship. Afterward, the mediation role of the prejudice on the relationship between cultural intelligence and entrepreneurship has examined by the Sobel test (1982), and the result of the mediation test has been found to be significant ($z = 3.41, p<.01$). For this reason, the fourth hypothesis (H4) is accepted directly.

**Conclusions, Discussions and Recommendations**

There was not enough measurement between cultural intelligence and entrepreneurship in the field. In addition, it has been mentioned that studies on prejudice are mostly limited to measuring the frequency and existence of the behaviour. The examining purpose of this research is to fill this gap in the literature. That is, the focus is on the relationship between the cultural intelligence and the level of entrepreneurship. It also concentrates on the concept of prejudice, which is thought to be important for both cultural intelligence and entrepreneurship and, which is not yet adequately studied in the literature. The main motivation for this study has been the lack of comparative research among the prejudice and the other concepts in the field. This research is also particularly important in that it is the first study to examine the relationship between the level of entrepreneurship, the prejudice, and the cultural intelligence.

This study aims to provide a theoretical contribution by examining the notion of cultural intelligence, prejudice, and level of entrepreneurship, which are a subject that have not been studied extensively and, which have become increasingly important in the literature. The aim of this study is to determine the mediating role of prejudice in the relationship between the cultural intelligence of school principals and the level of entrepreneurship. Findings show that the cultural intelligence is positively associated with both the prejudice and the level of entrepreneurship. It is also noticed that the relationship between the prejudice and the level of entrepreneurship is also positive. In this situation, the first, second and third hypotheses of the study are accepted. The result of the hierarchical regression analysis is that the prejudice is completely mediated in the relationship between the cultural intelligence and the level of entrepreneurship. In other words, school principals who have the cultural intelligence are not the prejudiced about the level of entrepreneurship. School principals without prejudice, execute it easier for the school to realize entrepreneurial activities and with these results, the fourth hypothesis of the research is also accepted.

The research findings were thoroughly answered by the research question, and it can be determined that hypotheses established within the scope of the research are also fully answered. According to the results of the research, the level of entrepreneurship of the school principals who increase cultural intelligence will also increase. On the other hand, the increase in the prejudice is positively related to the cultural intelligence. This finding is interesting. School principals are expected to reduce their prejudice when they learn about different cultures. However, this research has shown that this is not the case. As cultural intelligence in the people increases, they become more intimate with other
people, and this extra information may be a source of prejudice for them. Likewise, cultural intelligence leads people to use their knowledge from the past, and people can increase them even more, instead of taking away the wrong beliefs they once had. Whatever happens, this study's findings are brand new in the literature. It is thought that it will have an important effect on the literature. However, the reasons for such a result should be investigated. This study has provided a lot of new problems in the literature. This gap in the literature is important for future research.

Recent study results show that managers' cultural intelligence is reflected in their prejudices and that developing ideas in this direction have an impact on entrepreneurship. Cultural intelligence, unlike generally known intelligence, can be improved over time (Early & Ang, 2003). Research has shown that entrepreneurial experiences and foreign language knowledge develop cultural intelligence (Simpson & Yinger, 2013; Takeuchi et al., 2005). At this point, it also says that school principals' entrepreneurial experiences, foreign language knowledge, and education also affect the entrepreneurial activities of the school positively (Calof & Beamish, 1995; Etemad, 2003). Some research shows that managers take a key role in the entrepreneurship of schools (Knight, 2001).

The prejudices, perspectives, behaviours, and decisions of principals are seen as the most important factors influencing entrepreneurship (Lloyd-Reason & Mughan, 2002; Morgan, 2007). Prejudice-related research shows that behaviour and decision-making are influenced by prejudices (Greenwald, 2014; Sanbonmatsu & Fazio, 1990). According to Knight (2001), principals' entrepreneurial tendencies influence their prejudices, which directly reflect the performance of the organization. It demonstrates that school principals' prejudices are effective in the entrepreneurial activities of the school and supports this study's results. When broadly assessed, prejudices towards the entrepreneurship of the manager with cultural intelligence are developing positively (Romano & Platania, 2014) and this unprejudiced approach increases the degree of entrepreneurship. This indicates that the findings obtained in the study are in the different direction as the related literature. The result is different in this present research. In the studies mentioned above the cultural intelligence behaviour increases whereas prejudice decrease. The increase in the cultural intelligence must have obviously triggered different behaviours that were ignored in this research. These new and unpredictable behaviours may also be composed of the prejudices. It should be determined what caused this phenomenon. The social sciences, on the other hand, are based on the belief that any phenomenon can be changed. Social scientists know that there are no stationary universal rules in any place. That is, if a result is different, it is important. This research differs from the prevailing context and concept of the cultural intelligence. With this new finding to filling a significant gap in the literature, and it has also provided an important alternative way to new research. In particular, what causes the new data presented in this study should be investigated. Thus, with this study, more contributions can be made to the literature.

Initial studies in the literature on cultural intelligence have focused on individuals in organizations, and these studies have demonstrated the positive results of the cultural intelligence on an individual level, focusing on the ability of the individual to adapt to the intercultural environments (Ang et al, 2007). However, Cultural intelligence researches conducted in organizations have been investigated by associating with cases such as intercultural leadership, communication competence effect, task performance, resiliency and organizational citizenship behavior (Ang & Van Dyne, 2015; Balcı et al, 2012). Later studies have shown that cultural intelligence is also effective in team work as well as on an individual level (Rockstuhl & Ng, 2008; Shokef & Erez, 2008). Recent studies show that cultural intelligence is also positive at the organizational level For example; Ang & Inkpen
(2008), have studied cultural intelligence at the organizational level and found that the level of cultural intelligence to be possessed at the organizational level is effective in the organizations holding the entrepreneurship in the foreground. Moon (2010), on the other hand, revealed that organizational cultural intelligence positively affects organizational performance. This present study has provided important findings that will contribute to the study of cultural intelligence at the organizational level which is limited in the related literature. At the same time, this study contributes valuable practical outputs for effective use.

School principals with cultural intelligence are expected to be willing to learn foreign cultures (Early & Ang, 2003). Principals who have progressed in accordance with these demands are inclined to participate in national and international events without any prejudice to the intercultural environments and to be able to organize their behaviours as having knowledge about the cultures they meet. As mentioned above, principals with entrepreneurial experiences and knowledge of foreign languages ensure that organizations succeed in entrepreneurial activities. In this context, in the schools where managers play a key role, national and international projects are organized; it is suggested that managers should participate in international congresses, conferences, and fairs and at the same time improve their cultural intelligence by advancing foreign language knowledge as much as possible.

In addition to the examinations performed, this study has been applied to the community of school principals, and it relies on self-reports of these participants. Various conclusions may be collected in studies in which cross papers and several groups are practiced. Besides, data acquired from participants can provide researchers with further purified and broadened perspectives. As in any study, this study has some limitations. Likewise, the individual and organizational levels of factors, including age, managerial experience, entrepreneurship experience, and entrepreneurship orientation were included in this study as it was realized that the studies in the literature concerning whether demographic and organizational agents have effects on the cultural intelligence and entrepreneur behaviour forms of school principals are limited. It may be advisable to conduct similar studies with various demographic and instrument variables.

Hereafter, research should focus on further investigating the influences of these factors on entrepreneurship, cultural intelligence, and prejudice in complex circumstances and on additional control variables including an organizational and a social structure that may have produced excluded a variable problem. Another assignment for future research is an evaluation of the inter-relationships among prejudice and cultural behavior constructs and partly discussed in this study. Additionally, the variety of different school types, other regions, and different countries will broaden the outcomes reached. As a result, in this study, it was revealed that cultural intelligence of school principals will affect the degree of entrepreneurship and prejudices developing in this direction will enable schools to achieve success by playing an active role in entrepreneurial activities. The connections among these behavioral patterns and positive organizational upshots (individual and organizational performance development, the improvement in student achievement, etc.) should also be investigated in future research.
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