Influence of early exposure to family business experience on developing entrepreneurs

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Influence of early exposure to family business experience on developing entrepreneurs

Abstract

Purpose
This study considers the influences of family business and exposure to family business ideas upon students and graduates during their transition from higher education (HE) toward career identification of entrepreneurship. It explores influences, values and experiences actively impacting on business start-up following exposure to family business or business ideas.

Methodology
A grounded theory approach was adopted to investigate the wider student/graduate transition between HE and business start-up support provision. The aim of the interviews undertaken was to investigate those influences actively impacting on business start-up provision and reflect upon the complexities within the student journey through transition toward business start-up. The researchers investigated stories, experiences and insights of nascent and practicing entrepreneurs acquiring rich qualitative evidence.

Findings
This study evaluates the influences impacting upon practicing entrepreneurs following exposure to family business and awareness of business ideas arising from immediate or extended family prior to undertaking a business start-up. The findings inform discussions about family role models and contribute to the development of enterprise education pedagogy. It is found that individuals attachment to business and family business values are strongly formed concepts that motivate and steer entrepreneurial direction.

Implications
This article contributes to development of enterprise and entrepreneurship educator pedagogy and explores use of entrepreneurial role models and positive learning experiences gained through personal exposure to family business and ideas.

Value / originality
This study contributes to a fuller understanding of the potential for positive influence through exposure to familial businesses, growing up around businesses and awareness of business ideas arising from immediate or extended family. Integration of learning opportunities with development of pedagogy will be of interest to the enterprise education community.

Key words Familial business, enterprise, entrepreneurship, higher education, family role model, business start-up

Paper Type Research Paper
Introduction

Enterprise and entrepreneurship education provision equipping graduates with the skills and experience for business start-up is an increasing requirement in higher education (HE) and are recognised as efficiency enhancers for economic growth (Wilson et al., 2009). Students and graduates require such skills to improve their employability, navigate the job market and contribute to the future growth of the economy (Gibb and Hannon, 2006; Matlay, 2006; Quality Assurance Agency, 2012). Enterprise and entrepreneurship education literature is growing but remains nascent (Jones and Matlay, 2011). This study explores the student transition from education to career aspiration to business start-up. It focuses on graduates who experienced insight into their family businesses and awareness of business ideas arising from immediate or extended family during their upbringing (Bizri, 2016). The existing family business literature identifies a positive association with prior involvement between family businesses and family members undertaking future entrepreneurial activity (Dyer and Handler, 1994; Carr and Sequeira, 2007). To enable this analysis, the study considers entrepreneurship education and family business role model literature. A profile of entrepreneurial activity within Wales is also identified to provide context.

The following section presents a literature review exploring entrepreneurial activity within Wales, entrepreneurial education and family role models. Thereafter, the methodology employed within this study is detailed. The key findings are outlined within the following section. Thereafter, the discussion section considers the key findings in comparison with the extant literature. The study conclusion considers the contribution, implications for policy and practice, study limitations and further work required.

Literature review

The literature discussing enterprise, entrepreneurship and the role of universities has grown significantly in recent years (Gibb and Haskins, 2013). This study offers a Welsh perspective and is mindful of business influences that impact on the people living, working and studying in Wales in the current economic climate.

The Welsh Context

According to the International Comparative Performance of the Welsh Research Base (HEFCW, 2013). Wales has the highest level of start-ups and spin-offs of constituent countries. This backdrop defines the context for this study within HEIs in Wales as students begin their journey toward graduate careers. In Wales, new graduate start-up enterprises grew from 240 in 2012/13 to 336 in 2013/14 (HE-BCI Survey, 2013/14; HESA, 2015). The valleys and south west areas of Wales have comparatively less economic wealth and may be considered as geographically remote from the prosperous cities of Swansea and Cardiff. The Office for National Statistics reported that Gross Value Added (GVA) at regional level, London had the highest GVA per head at £42,666, while Wales had the lowest at £17,573 (ONS, 2015). Indeed, parts of the South-Wales region are some of the economically poorest in Europe; qualifying for convergence area funding and economic inactivity is a major problem (Jones et al., 2011). In a UK comparison, the South-Wales valleys have some of the largest proportions of people out of work due to ill-health or disability (Winckler, 2009). It was against this backdrop of the Welsh economic landscape and industrial history that
the Welsh Government established the intention to develop peoples’ entrepreneurial mind-set; instilling attitudes for increasing aspiration (WDA, 2000). Successful career goal achievement in enterprise and employability has been recognised strategically as a requirement in Welsh education at all levels (Youth Entrepreneurship Strategy, 2010; Jones and Colwill, 2013). The Higher Education Statistics Agency (HESA) Destinations of Leavers from UK Higher Education (DLHE) (2015) survey reports that 5.1% of recent graduates are self-employed/freelance and 0.8% are starting up their own business (HESA, 2015). The Levie et al., (2013) in the Global Entrepreneurship Monitor Report of Wales (2013) found 9.5% of Welsh individuals were involved in entrepreneurial activity. By comparison, the UK rate was reported as 8.3% in the same year. The Higher Education Business and Community Interaction Survey (HE BCI) (2013) reports that Welsh HEIs represent 5% of the UK’s HEI sector, yet create 9.1% of graduate start-ups and 11.33% of active UK businesses still trading after three years (HE BCI, 2013). So in conclusion, the South-Wales valleys face significant challenges in terms of poor relative economic performance but benefit from higher levels of entrepreneurial activity in comparison to the rest of the UK.

Entrepreneurial Education

The World Economic Forum (2009) made a call for action to entrepreneurship and enterprise educators to prepare for future developments arising for up and coming businesses by studying current activity and identifying effective practices. Furthermore, Matlay (2009) concluded that opportunities for funding would be most effectively utilised to support and improve the stakeholder interface as this would facilitate transitions from educational institutions through government business support and lead to new business creation. The UK publication of Young Report; ‘Enterprise for All’ strongly supports the development of wide ranging enterprise and entrepreneurial skills at all levels within the UK education system. The report calls for wide ranging practical opportunities embedded within curriculum and outside the timetable as a lifelong experience of enterprise in education as a suitable preparation for graduate careers or business start-up (Young, 2014). The complex nature of the student journey to business start-up is well documented (Pittaway and Cope, 2007; Smith and Beasley, 2011; Heinrichs and Walter, 2013). Influences include gender, social capital, economic landscape, career based decision making, historical background, trait personality, attitudes and experiences, parental/family role model and in this case Welsh Government investment in education and business start-up advice.

The Department for Business Innovation and Skills (BIS); Enterprise Education Impact in Higher Education and Further Education (2013) report highlighted the need for more evidence to clarify impact of enterprise education. The report suggested that the current evidence identifies a positive link between entrepreneurial and enterprise education and entrepreneurial engagement, but this information is not effectively tracked. Literature gaps point to priority areas including the links between enterprise and entrepreneurship education, starting and growing SMEs and economic growth (Matlay, 2008). The BIS recommendations identify a requirement for further research to be undertaken and track links between education and economic outputs. The impact of the Youth Entrepreneurship (YE) Strategy has been identified through changing attitudes and developing skills (Jones and Colwill, 2013). Athayde’s (2009) study found that participation in a YE company programme
fostered positive attitudes towards self-employment and participants displayed improved attitudes towards self-employment and greater enterprise potential than non-participants. Moreover, Athayde (2012) found that participation in the YE programme enhanced enterprise potential and improved human and social capital. Nabi et al. (2006) noted that careers are made in an evolving and complex context and simple relationships are not the norm. Thus rather than focusing on certain aspects of the start-up process, a more holistic research approach is required to further explore these nuances.

Traditionally, enterprise education literature has focused around areas of traits, demographics, behaviour and attitudes (Fayolle and Gailly, 2015). However, Kruger et al. (2000) emphasise entrepreneurial intent and that the act of creating a business being part of an active decision making process and choice in personal career development. Nabi et al. (2006) called for further research that goes beyond the stage of graduate start up intent. The review concludes that further qualitative research is required to explore the student journey to business start-up which explores aspects of decision making and career growth. Nabi et al. (2006) advocates a connection of theories underpinning career choice including self-employment, graduate intent to start-up, start-up training and support to gain increased understanding of the career making process in the journey from student to start-up/self-employment. The complexity of influences contributing to entrepreneurial and enterprise achievement requires recognition of the underlying deep roots in a multiplicity of theoretical stances. Heinrichs and Walter (2013) value the variety of elements rooted in six theoretical foundations; trait, cognitive, affective, intention, learning and economic. Typically, these originate in psychology concepts and theories with the exception of economic perspective which stems from Normative Decision Theory and Human Capital Theory (Becker, 1964; Boskin, 1974). These six category theories contain several of the 46 variables that disclose relationships between patterns of independent variables with entrepreneurial intent (Heinrichs and Walter, 2013). Heinrichs and Walter's (2013) study found that there was significantly more research into entrepreneurs generated from an economic theoretical standpoint and reported in economics publications and journals. Furthermore, their study noted that existing research has a strong focus on entrepreneurial status.

Nabi et al. (2006) and Smith and Beasley (2011) identify complexity in the student journey to business start-up and factors that may facilitate or hinder this transition. Influences vary; including gender, social capital, economic landscape, career based decision making, historical background, trait personality, attitudes and experiences. Further, Nabi et al. (2006) and Matlay (2006) revealed less qualitative research in this subject and identified the requirement to probe stories, experiences and insights of individuals. A call for enhanced understanding (Nabi et al., 2006), has been identified as a repetitive theme within the extant research, particularly studies into entrepreneurial intent that have originated from economic perspectives (Heinrichs and Walter, 2013). In conclusion, there has been a significant growth of both entrepreneurial curriculum and associated research evaluating practice and impact. However, there was a recognition that further research needs to be undertaken into the individual experience of business start-up.

**Family Role Models**

The qualitative aspect of this study is relevant in understanding family role model influences. This approach stimulates discussion on the use of entrepreneurial role
models in education settings and pedagogy. There are several impacting factors found to influence the essential transitional time between education and career development, namely gender, social capital, economic landscape, career decision making, historical background, trait personality; attitudes and experiences, parental/family role model and government investment in education and business start-up (Wilson et al., 2007).

According to Social Learning Theory (Bandura, 1977) role models provide opportunities for those around them to learn from their behaviours, examples, guidance and that individuals gravitate to role models they believe assist them acquire new learning of tasks and skills (Gibson, 2004). Opportunity to learn from positive entrepreneurial examples enhances entrepreneurial activity in others (Fornahl and Bremner, 2003). Learning by support, increasing entrepreneurial self-efficacy and inspiration/motivation are also identified as important perceived functions of role models (Bosma et al., 2012).

Holienka et al. (2013) propose that familial entrepreneurial role models have an important part in determining students’ preferences towards entrepreneurship and development of entrepreneurs is found to be favourably linked to availability of parental entrepreneurial role models (Dunn and Holtz-Eakin, 2000; Fairlie and Robb, 2007). Chlosta et al., (2012) study of exposure to parental role models concluded that early exposure to parental role models in family business affects children’s attitude towards self-employed adoption. Kim et al. (2006) study revealed children in an entrepreneurial family benefit from being mentored by their parents and by accessing the business networks of their parents. Holienka et al. (2013) noted that weak and strong ties influence start-up decisions suggesting 22% is a relative (parent or other family), 25% of role models noted by entrepreneurs with entrepreneurial parents are sourced within the family. This suggests that mentoring role models are more likely to be family members providing strong ties. Two out of five entrepreneurial role models emerge from strong ties of family members and friends (Bosma et al., 2012).

Role models are perceived as valuable for determining career choice and outcomes, educational institutions involve guest entrepreneurs to motivate, inspire and support development of entrepreneurship among pupils and students (Bosma et al., 2012). George et al. (2016) note that only a few authors have undertaken research into opportunity recognition. Based on a systematic literature review they classify existing contributions into six key factors namely: prior knowledge, social capital, cognition/personality traits, environmental conditions, alertness, and systematic search. Whilst, Wadsani and Mathew (2014) identified power motivation and level of education attained. However, Aldrich and Cliff (2003) called for further research into family systems and opportunity recognition; exploring why and how the family dynamic influences some but not all family members. It is important, to be aware of the possible association between real experience and learning that prepares younger family members in readiness for a business start-up career and that entrepreneurial family role models are important motivators for becoming self-employed (Van Auken et al., 2006).

Holienka et al. (2013) indicates that entrepreneurship education assists students improve understanding of their role models. Role models can alter the learning environment to increase motivation and aspiration among learners and their peers. Entrepreneurship education can provide learners with a resource of newly acquainted role models who may support students with family role models. Moreover, Holienka et al. (2013) stated that use of role models in entrepreneurship education can help overcome the pre-conceptions that students without
entrepreneurial family business backgrounds may be less likely to succeed in entrepreneurial careers.

The activity of talking through business issues with parental guides who are perceived as knowledgeable and successful develops significant awareness of business issues, develops thinking to understand/overcome situations and grows confidence/self-belief in capacity to manage their own business issues effectively (Peterman and Kennedy, 2003). This style of sharing business problems and scenarios contributes to a holistic thinking style, enables learners to consider a range of critical perspectives and possible outcomes as an observer/contributor. Value is placed on inclusion and contribution to family business discussions. Wyrwich et al. (2015) concluded that observing entrepreneurs reduces the fear of failure in environments where approval of entrepreneurship is high, while this effect is significantly weaker in low approval environments. They concluded that exposure to positive experiences of family business and parental business role models grows inner confidence, reduces uncertainty and lessens fear of business failure (Bosma et al., 2012).

The hierarchical position of role models, learning through replication and observation occurs readily and is likely when the role model is perceived to be more successful or better qualified that the learner. For example, Bandura and Walters (1963) identified entrepreneurs and role models need to be considered more socially effective or successful by the learners they interact with for learning to occur. Similarly, Kram and Isabella (1985) state that role models frequently hold a higher hierarchical position. Smith and Beasley (2011) recognise family background, childhood experience and family involvement in business as drivers toward graduate entrepreneurship amongst sociological factors and demographics. It should be noted that whilst role models in entrepreneurial families are considered influential for the motivation of their younger family members to become self-employed, some prior research evidenced contrary thinking. Brenner et al. (1991), Kets de Vries (1993) and Kim et al. (2006) found parental role models do not stimulate individuals to become entrepreneurs. Whilst Bosma et al. (2012) identified that role models support is important for entrepreneurs in the post-start-up phase. They suggest that family members frequently provide this support and this may have policy implications since this is an efficient alternative to expensive channels of entrepreneurial support facilitated by local government (Bosma et al., 2012).

The review of the literature revealed a limited consideration of the influences of family businesses upon graduates. This study attempts to bridge this knowledge gap. Thus the central research question explored here is to evaluate influences of family business upon students during their transition from HE toward their career identification of entrepreneurship. The following section details the methodology used to explore this phenomenon.

**Method**

The research methodological approach adopted was grounded theory. Grounded theory develops theory from primary data and its analysis (Strauss and Corbin, 1994; Glaser and Straus, 2009). This approach was adopted to facilitate detailed understanding of the plethora of influences on the student/graduate journey to business start-up. The authors focused on a qualitative perspective to reveal the “rich” data underpinning the student/graduate journey to business start-up (Jones and Jones, 2014). A positivist approach was not considered appropriate due to the need to
capture detailed evidence of individual graduate experience and the nascent nature of the phenomenon. Extended semi-structured interviews were used where detailed accounts of graduate experiences were obtained through face-to-face interviews. Semi-structured interviews are established as one of the most widely used methods of data collection for grounded theory purposes (Goulding, 2002; Corbin and Strauss, 2014). The family influences related data collected was analysed simultaneously with other influences identified (Jones and Jones, 2011). The insights into family influences emerged from this comparative analysis of the data collected. The interviews were designed to ensure the respondents responses were not constrained by the questions posed (Pickernell et al., 2013).

**Questionnaire Design**

Each interview was designed to enable the interviewee to explore their earliest reminiscences or impressions of business around them prior to development of their own businesses. A semi-structured interview instrument was developed with a set of open-ended questions, enabling respondents to discourse widely on the topics (Johannessen et al., 1999). Related questions were utilised as prompts, ensuring a more consistent link to the research themes (Jones et al., 2014). Semi structured questions were asked around the following areas; reason for starting up in business, business start-up organisations, Self-efficacy, business adviser/mentor, quality of relationship with adviser/mentor, personal business barriers, networks/making contacts, current business position, parental/family support, exposure to family business, role models.

**Data Collection**

Interviewees were selected from the Higher Education – Business and Community Interaction Survey (HEBCIS) data. Respondents had studied at a University, at either undergraduate or postgraduate level, participated in entrepreneurship education and started a business. The sample was drawn from three Welsh, an Australian and an English University (see Table 1)

<table>
<thead>
<tr>
<th>University</th>
<th>Country of Location</th>
<th>University Type</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiff University</td>
<td>Wales, UK</td>
<td>Research led</td>
<td>Old</td>
</tr>
<tr>
<td>Swansea University</td>
<td>Wales, UK</td>
<td>Research led</td>
<td>Old</td>
</tr>
<tr>
<td>University of Queensland</td>
<td>Australia</td>
<td>Research led</td>
<td>Old</td>
</tr>
<tr>
<td>University of the West of England</td>
<td>England, UK</td>
<td>Teaching and learning</td>
<td>Post 1992</td>
</tr>
<tr>
<td>University of South Wales</td>
<td>Wales, UK</td>
<td>Teaching and learning</td>
<td>Post 1992</td>
</tr>
</tbody>
</table>

**Table 1: Description of Sampled Universities**

The Australian and English Universities were selected to provide a comparative basis of analysis against the Welsh university data. The development of entrepreneurship education in Australia and UK has evolved at a similar rate and has a comparable culture and university system. A range of universities types was selected within the sample (see Table 1) including research focused and teaching and learning styled HE
institutions. The University type was not considered an issue in terms of the selection of the student sample as the unit of analysis was the student and their experience with family business.

From 70 completed HEBCIS surveys, a randomly selected sample of 20% were identified and 14 interviewed. Participation in the study was optional, all respondents were contacted through telephone and invited to participate in a face to face interview. Interviews typically took between 45-60 minutes to complete and were recorded. Within each interview, an element of flexibility was retained through open-ended questions of inquiry whereby the interviewer controlled the timing of the individual discussion to enable an exploration of key themes (Jones et al., 2008). The interview questions were grouped into themes that followed a sequence that was controlled by the interviewer. This method enabled flexibility so that the interviewer could elaborate or clarify any answers provided around the key areas of perceived impact of the course.

Data Analysis

To analyse the data collected from the interviews in a logical manner, a coding system was adopted to categorise the data (Jones and Jones, 2014). This involved a process of data reduction, display and conclusion drawing and verification and was undertaken by the lead researcher in this study (Miles and Huberman, 1994). Within this process, the data were sorted into groups relating to the research themes developed from the literature namely business experience, exposure to family business and the role of mentors (Smith, 1991). This axial coding narrative text approach was adopted to enable an accurate description of the data as related to the issue of the influence of family business and its association with entrepreneurship education (Strauss and Corbin, 1990). This interpretation process involved multiple reviews by the researchers in order to explicate and refine understanding of each theme (Baskerville and Pries-Heje, 2001). Individual codes were created to ensure anonymity of each respondent (see Table 2).

<table>
<thead>
<tr>
<th>Unique ID Code</th>
<th>Gender</th>
<th>Age</th>
<th>Business Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>R1</td>
<td>Male</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R2</td>
<td>Male</td>
<td>45-55</td>
<td>Trading</td>
</tr>
<tr>
<td>R3</td>
<td>Male</td>
<td>45-55</td>
<td>Trading</td>
</tr>
<tr>
<td>R4</td>
<td>Male</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R5</td>
<td>Male</td>
<td>55+</td>
<td>Trading</td>
</tr>
<tr>
<td>R6</td>
<td>Female</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R7</td>
<td>Female</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R8</td>
<td>Male</td>
<td>45-55</td>
<td>Trading</td>
</tr>
<tr>
<td>R9</td>
<td>Male</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R10</td>
<td>Male</td>
<td>45-55</td>
<td>Not Trading</td>
</tr>
<tr>
<td>R11</td>
<td>Male</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R12</td>
<td>Male</td>
<td>20-30</td>
<td>Not Trading</td>
</tr>
<tr>
<td>R13</td>
<td>Female</td>
<td>20-30</td>
<td>Trading</td>
</tr>
<tr>
<td>R14</td>
<td>Female</td>
<td>45-55</td>
<td>Trading</td>
</tr>
</tbody>
</table>

Table 2: Categorical data of Respondents
The semi-structured interviews undertaken offered up clear evidence of influences impacting upon the student/graduate journey toward business start-up. Data saturation was apparent by completion of R12. Two further interviews were undertaken to ensure data integrity and reliability (Guest et al., 2006).

**Findings**

This section presents the key findings. Through dialogue exploration it was possible to identify groups of common themes from the fourteen in-depth interviewees. Within the themes were found to be both positive and negative contributing elements. The data is grouped around key themes namely family business influence during childhood, parental influence, role of emotions and stresses from family business.

**Family Business influence during childhood**

Interviewees (R4, R6, R8, R11) recalled the influence of business enterprise on their lives as they were growing up. They understood the value their families placed on their business and were observers and participants over the years; involved in sharing conversations and discussions; learning values, commitment, personal responsibility, accountability, hard work and understanding along with other aspects of family life. The following quote illustrates these issues.

"Dad ran a fleet of concrete trucks – my earliest memories! It was business at the kitchen table, a successful family business; sharing experiences and awareness. Dad left school at 14, worked petrol stations and saved and worked. He was busy. He taught us ‘we make our own way. The ‘we are responsible for us’ attitude.” R3

This was a way of life that exposed the family to the reality of business as a commitment to subscribe to. The sense of self-responsibility was represented by the following quote:

"My father, grandfather, uncle and all around me were all immigrants. My family were inculcated...really good grounding all round. They started mid to late 60’s in construction. My uncle had an electronics business. My family business experience was based on sales; they could spot opportunities. My family are bold people, brave people. Maybe a little too bold. No, not put off by risk. If there was an idea they’d do it. They were a bit tempestuous. They won much more than they lost; can’t be perfect all the time.” R8

Female interviewee (R6) recognised a similar impetus gained from their awareness and observations of business whilst growing up; her reflection revealed sensitivity and empathy in her association with her father’s business venture;

“*My dad is a big influence on me. I saw his struggle to find his careers growing up. I watched him train and study to get his career / business off the ground and realised the change in him when he became his own boss. How much happier and energetic he was. Looking back I feel that there’s a lot of similarities between my self and my dad, and I do so enjoy being my own boss as he did. So now learning from his experiences and after having a nibble of*
the grass on the other side of employment, I will never go back if I can help it!” R6

Early exposure to family businesses was a notable theme that pointed towards strong values and a sense of personal responsibility. Several interviewees spoke of their parents and extended family relatives experiences as they struggled to establish businesses with minimal resource as mooted in Sarasvathy et al., (2008) 'Bird In The Hand' principle namely start with your means; building up the businesses slowly and steadily over years:

"My dad missed out on stability at an early age. He didn't tell anyone, he came here (UK) alone, he was just 17, worked in Newcastle, Sheffield. It wasn't until he was in his 40's he made it into a stable business. Probably at the age of 12 I was aware of that shop, the warehouse. We were involved, my sisters and I used to go and clean it all. We tore it (the old factory) out to create a new warehouse!” R14

Parental influence

For most, the exposure to family business within childhood years was recalled positively. For example, R2 reflected on the positive influences gained through early insight into their father’s business ideas and aspiration to implement which was not actualised until years later;

“My business idea is based in understanding of a situation experienced whilst growing up.” R2

R2 also recalled how their own business idea was fuelled by their recognition of their father’s aspiration to start a business; a longstanding intention that has only very recently achieved fruition. They now both run successful businesses; however, it is the son that has led the way to start-up. Typically, the reports from interviewees were positive with regular reference to parental support and encouragement regarding career options. However, family business experience was reported as still being a stressful and a negative influence for one respondent (R1);

“Mum ran a nursery. They (parents) were detrimental to running my business. She was very stressed. I live with them too. Its hard! I need a positive environment to work in.” R1

Role of Emotions

Emotions and feelings exerted a strong influence on the cognitive evaluation of an entrepreneur and thereby influenced the decision to create a new venture (Heinrichs and Walter, 2013). This sense of awareness of self and career direction was also highlighted within interviews. It was notable some individuals had identified routes. Their expectation being that their plan would enable them to set out to gain business experience or start a career where they would be able to apply skills and knowledge gained through education. They recognised their own need for experience in a similar way as they had identified their requirement for education, R3 illustrates this issue;
“You can't learn about running a business from being at University. People should be exposed to entrepreneurship throughout education then told to 'go and get a job!' I'd studied to be an accountant I thought I should do an accountant's job. So I got a job.” R3

For most, the encouragement of family and trusted 'mentor' style support from partners and friends has proven to be invaluable as evidenced by the following quote by R4:

“My mother's been my role model. She leads the way...around the table, family dinners and so on. She's been the driving force for their business too. I've had opportunities to take it and do it... you could always attribute those opportunities to them (parents). We were told to do what we wanted...always encouraged.” R4

Several entrepreneurs interviewed demonstrated a similar strength of conviction regarding role-model family influence that correlates with Chlosta et al. (2012). Their study demonstrated that parental role models in entrepreneurial families are significant influencers toward self-employment. For those without first hand exposure to family business expertise, it can be difficult to identify a suitable match that can provide the business insight and required support. However, when those connections are established they have capacity to positively influence as evidenced by respondent R11.

"My 'go to' person; I met him at my brothers wedding and went to him for work experience in the industry. I worked with him after that. We had a reciprocal arrangement and he kept me focused, gave me business advice. He's like my second dad!" R11

Stresses from Family Businesses

One interviewee (R10) reported an alternative view of stresses imparted through parental influence;

“She's (mother) a born worrier and she sees it (my business) as a part-time thing. Dad’s always pushing me. Saying I haven't progressed...I'm not focused. He's seen the website. He's still quite forceful. They (maternal and paternal) are opposites!” R10

The interviews recognised value in self, identification in family behaviours and recognition of personality traits occurred throughout the discourse. Through the interviews, it was considered that confidence, inner resilience, responsibility and thinking style were valuable traits and attributes (Cattell, 1989). Comparisons were also made to siblings and references to parental advice offered revealed independent thinking style and tough mindedness that reflected their parental role model trait or state.

“I have inner resilience, I'm very strong! And there's also maturity. I'll take advice from my parents and take on board from my brother. I'm also independent. I listen to them and then vary it depending on what I'm doing. I'm
strong-minded and then...OK, well, watch me! I don't follow the crowd. I don't
seek others approval. That's how I am.” R4

Regarding self-confidence, social boldness and attitude towards risk, R8 compared
themselves to their paternal influencer and took pride in this description:

“One of the biggest businesses I have won was by jumping in with both feet so
I am not risk averse. I weigh up the details. I am very much like my dad. I
am ‘my father’s son’; cocky, cheeky, brave, bold like my dad, a showman.
Very much a showman! Something I had to learn and I learned it as I went
along; I learned to co-operate with the inevitable.” R8

Others associated positively with ‘family thinking’ and family behaviour styles, see
R11 as a representative example;

“My family are strong willed and opinionated; we're passionate...but chilled.”
R11

In summary, accounts from respondents reveal a deep-seated sense of 'family'
merged with business and experience of inter-related conversations and discussions
that revolved around commonplace family gatherings in everyday life. These
accounts reflect a deeper understanding of the significance their families place upon
their business and the real world connections between family and business.
Interviewees considered values and work ethic were acquired through their
experiences of observing and participating in family business. In many instances,
interviewees discussed their deeply held personal accountability, commitment, shared
experience and contribution, and an often implicit understanding that the business
supports the family and vice-versa. Indeed, the two are often perceived as
interconnected and in some instances interdependent. Younger family members
frequently invest time and endeavour to the business in their own time in addition to
the norms of scholastic studies more usually associated with childhood/teenage
development years.

Discussion

This study provides experiences of graduate entrepreneurs to contribute to a fuller
understanding of the experience and the impacting factors that have influenced this
pivotal time in their transition between education and their career development. In
response to the research question significant influences actively impacting on business
start-up provision were identified as exposure to business at an early age/awareness of
family business, motivation to pursue an interest and for career flexibility, trait
personality (confidence), social capital and HE educational support/preparation. This
study reveals that parental business role-models are found to be influential on younger
family members from an early age. The evidence here suggests family are typically
positive influences and a source of robust values for nascent entrepreneurs. The
experience and exposure to family business for Australian, English and Welsh
students was directly comparable.

This study recognises the power of experience in sharing real and unique
entrepreneurial experiences and the values entrepreneurs attach to them in learning
from family or learning from others before beginning their own business.
Encouraging students to reflect on their own personal experience of exposure to family business or business ideas may be conducive to enterprise/entrepreneurship education sessions. Role models engaged with student/graduate audiences have personal experiences of family businesses that could prove to be useful learning for their audiences. This study identified inspirational and personal experiences of commitment, hardship, work ethic, resourcefulness and endeavour they believed beneficial to learners on their progression toward business start-up.

The study evidences how positive values and beliefs instilled through early exposure to business are lasting and impacting. The findings reveal considerable potential for nascent entrepreneurs to gain unique insights and increased understanding from exploring, reflecting and sharing their experiences of familial influences. Important aspects include exposure to business/business ideas during childhood/young adulthood, significant role models, instilled values and work ethic and trust relationships. The study reveals where trust relationships occur within family this can be a compatible ‘match’ for business mentoring, support and encouragement.

Exposure and insight into business ideas at an early age were found to instil personal and business values particularly, personal responsibility, accountability, motivation and a work ethic. The study focuses upon family influences derived through exposure to a family business and family sourced business ideas, support/encouragement. However, other factors were recognised as influences namely quality of engagement/relationship with business adviser/mentor, gender; gender specific advice, quality of business relationship with business adviser/mentor, quality of relationship with business adviser/mentor in relation to personal development, networking development, university support, trait, values, opportunity awareness, financial acumen and career development.

Our findings agree with Dunn and Holtz-Eakin (2000) suggestion that growing up in a family with self-employed family members may lead to a pro-business attitude with the children. However, of the individuals interviewed, there was minimal reference to following parental role models into an established family business. The preference for our respondents was seeking their own entrepreneurial career which was not associated with their family business. This finding agrees with Kepner (1983), Ghazali et al. (1995) and Rodriguez et al. (1999) that many entrepreneurial families’ children do not seek to take over their parents businesses. The distinction being that these authors find parental role models appear to positively influence their offspring to create new start-up businesses under their watchful support and encouragement rather than encouraging them to be successors to existing family businesses.

Conclusions

The study evaluates influences of family business upon students during their transition from HE toward their career identification of entrepreneurship. This study identifies influences impacting on business start-up provision with exposure to family businesses at an early age/awareness of family business as critical factors. The study has relevance to enterprise educators and policy as it reflected the end of a period of sustained investment in Welsh entrepreneurship and enterprise in Education by the Welsh Government in the UK, through the Youth Entrepreneurship Strategy. The results also have relevance for other national contexts (particularly Australian and English Universities) given the parallel development of entrepreneurship education within these countries.
The results suggested that there was often an expectation that young people within the family would be relied upon to offer assistance with business related tasks. Overarching these accounts is a sense of being ‘in it together’ and that family values are generally a positive association within the family unit. Interviewees positively identified with their family role models and the experiences they gained growing up. There were fewer perceived negative accounts of exposure to family business and in those instances they often proved to fuel a desire to run their own business, if somewhat removed from any existing family business. It was also noted that there was no expectation that the family business should pass to others in the family. Younger family members were encouraged to create their own start-up business of their own volition with support from their family entrepreneurial role models. There appears to be increased commitment within the HE sector towards the provision of enterprising skills and knowledge to the student community.

This study found that role models in entrepreneurial families are important motivators for becoming self-employed. Therefore, it is important that enterprise educators’ pedagogical approaches incorporate opportunities to identify and exploit such experiences from students and graduates. The Welsh Government currently funds the provision of entrepreneurial role models in education institutions in Wales through established Youth Entrepreneurship Strategy. Local entrepreneurs are trained to deliver to primary, secondary, further and HE establishments where they offer inspirational and motivating guest speaker talks to engage students and pupils based on their experience of creating successful businesses and the current success of the business. Similar schemes also exist in both Australia and England educational systems. The value of discussing the reality of authentic business issues provides valuable learning opportunities. Generally, enterprise educators can seek opportunities to introduce valid examples of day-to-day business issues to discuss with the learners and visiting role models. This approach may be blended with further visiting talks of entrepreneurial guest speakers to achieve deeper understanding and learning through real world exploration of shared experiences. Enterprise educators can consider how visiting entrepreneurial guest role models can make the optimum contribution to learners when deciding upon content and pedagogy of enterprise programmes to have the desired impact upon potential entrepreneurs by sharing their own experiences of family business/exposure to business ideas with learners. It is important that the external funding for such provision continues otherwise it is reliant on internal funding and/or the goodwill of the business community.

The research supports Holienka et al. (2013) in that experience gained through familial business experience often contributes to motivational drive and positivity that is more likely to lead to successful enterprise start-up. Study findings reveal how factors such as personal values, sense of commitment and inner resourcefulness are contributing factors in business creation. The findings contribute to the extant literature on the value of entrepreneurial family role models, family businesses, and the development of future entrepreneurs. This research also offers insights to the development of enterprise education pedagogy.

The authors recognise the limitations of this study in terms of the sample size and selection of respondents. The generalizability of the results must be treated with caution as a result. The issues for the student or graduate during their individual transition are frequently complex and multifaceted. Consequently, future research should provide a comprehensive understanding that is holistic in approach and takes into account unique individuality with appreciation of theoretical bearing (Aldrich and Cliff, 2003). It is recognised that there is a requirement for further study in this
subject area of influence by family business and exposure to business ideas and the learning from these experiences and potential to impact upon students of enterprise and entrepreneurship through learning.

The findings point to opportunities for further qualitative study into influences on entrepreneurs by family entrepreneurial role models. There is also the opportunity for further studies undertaken within a single country context to explore whether nationality and culture are salient issues. Entrepreneurial role models in education settings are one of a many factors actively influencing the expansion of learners enterprise experience. Further research on a larger scale to explore interaction between family business role models and influence upon entrepreneurship start up would provide further understanding that would be of interest to enterprise educators globally.

References


