Entrepreneurial Intention Among University Students: Does Family Background Matter? A Narrative Review

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ABSTRACT

This paper explores the influence of family business background on the entrepreneurial intention of university students and how it affects their career choice. Entrepreneurial education has limited success in promoting entrepreneurial activities among the educated youth prompting academicians to look at avenues to ameliorate it. Though family business background has been regarded as an influencing factor in recent empirical studies, it has received modest attention. Besides, conflicting views have emerged. This paper therefore reviews literature on the influence of family business in entrepreneurship and the implications it may have in planning effective future entrepreneurial activities. 34 original articles from Scopus, Google Scholar and Science Direct databases were reviewed. Findings revealed that family business plays a key role by enhancing the students’ knowledge, skills, confidence, and attitude towards entrepreneurship. Entrepreneurial education too was found to be more effective on students from a family business background.
Policymakers and curriculum designers need to consider the family background of students to make optimum use of available resources and ensure greater entrepreneurial ventures in future. This paper also discusses on the gaps in existing knowledge and directions for future study.

**Contribution/Originality:** This study documents the findings of numerous studies available in literature on the influence of family business on the entrepreneurial aspirations of the university students. It highlights the conflicting views of researchers in varied context and attempts to give a comprehensive idea to the reader on the topic of interest.

1. **Introduction**

In recent years, great emphasis has been laid on entrepreneurial activities in most developing countries across the globe to alleviate poverty among the local communities (Al-Haj, 2016; Hassan et al., 2020). Past research emphasizes that entrepreneurship reduces unemployment (Othman & Othman, 2015) and provides job security (Chea, 2017; Hassan et al., 2020). Given its economic impact, countries across the globe focus on the development of entrepreneurship especially among the youth (Lee, 2021). Many empirical studies suggest that entrepreneurial skills can be taught, and entrepreneurial education can create entrepreneurial intentions among university students (Henry et al., 2005; Karimi et al., 2012). This led most universities across the globe offer entrepreneurial education programs. However, entrepreneurial education has not yet shown promising results (Kelly, 2015). This has prompted researchers to focus on the determinants of entrepreneurial intentions. Scholars have studied the personality traits (Kerr et al., 2018; Yan, 2010), attitude (Kusmintarti et al., 2017) and gender (Bakri & Mehrez, 2017) in great detail. Other variables like age, race, marital status and family business background of university students seem not to have received much attention (Lose & Kwahene, 2021).

Family business refers to a business that is controlled by a dominant member of the same family and is potentially sustainable across generations (Ayuni, 2018; Chua et al., 1999). Recent empirical studies indicate that family business is one of the factors influencing entrepreneurial intentions. Still, modest attention has been directed towards how family business nurtures the entrepreneurial abilities among the university students (Carr & Sequeira, 2007; Gallo & Pont, 1996). This necessitates for an overview of existing literature to comprehend the influence of family business on the entrepreneurial intention of university students. With this perspective, the present review was carried out to address the research question “What does available literature indicate on the role of family business in shaping entrepreneurial intention among university students?”

2. **Methodology**

This study was based on the interpretivist research paradigm (Creswell & Creswell, 2017; Kivunja, 2018). Various databases like SCOPUS, Google Scholar and Science Direct were searched with search terms “Family business”, “Family background”, “Entrepreneurial intention”, “Entrepreneurial skill”, “Entrepreneurship” and “University students”. 
2.1. Selection Criteria

2.1.1. Inclusion Criteria

All articles in English language with search terms in the title or abstract.

2.1.2. Exclusion Criteria

The articles on entrepreneurial intention of university students but, not exploring the influence of family business were excluded. Similarly, articles on family business and entrepreneurial intentions but not among university students were excluded. The methodology followed is explained in Figure 1.

Figure 1: Flowchart showing article selection procedure

3. Results and Discussion

3.1. Family business and its characteristics

In simple terms, family business refers to a business which is either owned or managed by a family (Chua et al., 1999). While Intihar and Pollack (2012) defined it as one where “a substantial family presence in ownership, management, succession, and/or employment” is established (p. 77). Colli and Rose (2008) on the other hand, felt it is difficult to define family business due to the intrinsic diversity in such businesses. However, all family businesses share a few common characteristics. Every family business is based on an entrepreneurial vision (Sharma, 2013). A family owns a substantial amount of equity in family businesses, exerts control over the business strategy with family members taking up most of the top managerial posts (Pounder, 2015). Family values, tradition and legacy are vital for their business and is followed...
over the generations (Dyer, 1988; Tàpies & Moya, 2012). Thereby, children hailing from these business families imbibe these values and traditions. These may guide them to start their own venture.

3.2. Entrepreneurial intention among university students and its relation to Family business background.

Entrepreneurial intention refers to the desire or an inclination to be an entrepreneur (David, 2001). On the other hand, Wan-Ismail and Olabinjo (2017) consider entrepreneurial intention as one's willingness to undertake entrepreneurial activity or become self-employed. Entrepreneurial intention among university students is vital for entrepreneurial activities in the future. According to the Ajzen's theory of planned behaviour, intentions are the best predictors of a behaviour which is expected to follow after a considerable time lag (Beck & Ajzen, 1991; Satyalakshmi & Kumari, 2010). Several recent empirical studies showed a significant positive impact of family business background on the entrepreneurial intention among university students (Abbassi & Sta, 2019; Cahyani et al., 2018; Ferri et al., 2018; Herman, 2019; Israr & Saleem, 2018; Kumar & Shukla, 2019; Lingappa et al., 2020; Mosunmola Oluwafunmilayo et al., 2018; Raji et al., 2020; Šubić et al., 2019; Tripopsakul et al., n.d.; Van Dijk, 2020; Wah et al., 2017). Further, Looi and Lattimore (2015) concluded that entrepreneurs are more likely “born than made” based on their hierarchical regression analysis of the various antecedents of entrepreneurial intention among university students. Contrary to these reports, there are some empirical studies which did not find a significant relationship between entrepreneurial intention among university students and family business background (Thrikawala, 2011; Arrighetti et al., 2013; Nguyen, 2018; Tabares & Cano, 2018) suggesting that family business background can be a push as well as a pull factor for entrepreneurship (Dyer Jr & Handler, 1994). The following section explains how family business background can sway entrepreneurial intention in either direction.

3.2.1. Family business background as a pull factor

According to Chaudhary (2017), the positive influence of family business on entrepreneurial inclination can be explained by two frameworks namely, parental role model and family support model. Entrepreneurial parents play an influential role on the individual entrepreneur (Mueller, 2006; Nguyen, 2018; Papadaki et al., 2002). Among the parents, students with entrepreneurial mothers showed a more positive response towards self-employment (Pant, 2015; Zegeye, 2013). Children who have entrepreneurial parents demonstrate a greater propensity to choose a self-employed career is underpinned by the social learning theory (McElwee & Al-Riyami, 2003; Ozaralli & Rivenburgh, 2016). An individual gets influenced by direct experiences as well as by aggressively observing people's actions and its consequences (Bandura, 1986; Zimmerman & Schunk, 2011). Hence, students who hail from families owning a business have the exposure to risks and opportunities the market offers. To enhance the children's entrepreneurial skills, some parents intentionally give their children a managerial responsibility within the business at a very young age (Ayuni, 2018; Dyer Jr & Handler, 1994). In addition, entrepreneurial parents tend to be advisors and guides for children to start their own businesses (Mathews & Moser, 1995). Besides, family significantly influences an individual's perceptions of attitudes, values and behaviours which are considered acceptable or unacceptable (Rastogi & Agrawal, 2010). In accordance to the theory of planned behaviour, if the attitude and subjective norms are good and the perceived behavioural control seems high then intentions to conduct
certain behaviour will also be high (Beck & Ajzen, 1991; Ozaralli & Rivenburgh, 2016). Thus, parental business experience is possibly inherited by their children due to the education they receive on entrepreneurial skills, value, and confidence (Carr & Sequiera, 2007), which molds their beliefs, attitudes and personality (Ayuni, 2018; Brenner et al., 1991; Nowiński et al., 2019) and improves their intention to establish a business. Family triggers the entrepreneurial intention in students to start a business through reliable values (Renzulli et al., 2000; Wan-Ismail & Olabinjo, 2017) as well as providing financial resources and human resources (Wan-Ismail & Olabinjo, 2017; Zhang et al., 2004). Positive personality traits such as self-realization regarding wealth is also a motivating factor for university students from business background to become entrepreneurs (Akbar et al., 2020). Another justification is the social status that business owners have and the desire to achieve this status by continuing the family business (Pauceanu et al., 2019). Asian countries such as China, India and Malaysia have documented high entrepreneurial intentions among university students from a business family background due to economic stability, possessing creative and innovative ideas that encourage youngsters to join new ventures (Wang et al., 2018).

3.2.2. Family business background as a push factor

Individual negative personality traits like embarrassment, negative attitudes towards entrepreneurship and loss of self-esteem may make students from a family business background to seek jobs (Boyd & Vozikis, 1994; Irwansyah et al., 2021). According to Šubić et al (2019), financial instability in family business leads to discouragement among students resulting in a propensity to seek secure jobs with a stable income. Prior studies done in countries like Croatia and Colombia show a low percentage of entrepreneurial intentions among university students from a familial business background. Absence of family support may also act as a push factor (Tabares &Cano; 2018; Šubić et al., 2019).

3.3. Influence of family business background on the effectiveness of entrepreneurial education

Entrepreneurial education refers to any educational program that is offered to students in formal settings such as schools, colleges, and universities to inculcate entrepreneurial attitude as well as skills (Bae et al., 2014). The focus of entrepreneurial education is human capital investment by improving entrepreneurial self-efficacy (Wilson et al., 2007; Wan-Ismail & Olabinjo, 2017) and coping strategies (Stumpf et al., 1987) to be a motivated entrepreneur in future. Even though education is not a prerequisite to start a new venture, business education plays a significant role in affecting a person’s decision to set foot in the career of entrepreneurship (Carr & Sequeira, 2007; Keat et al., 2011; Volery & Mueller, 2006; Wan-Ismail & Olabinjo, 2017). Multiple empirical studies point towards better outcomes of entrepreneurial education on students who have a family business background (Adedoyin & Odijie, 2017; Arrighetti et al., 2013; Carr & Sequeira, 2007; Haider et al., 2013; Keat et al., 2011; Volery & Mueller, 2006; Van der Sluis et al., 2008; Wan-Ismail & Olabinjo, 2017). Family business background provides students with non-formal training and experiences. It proves that exposure to industry helps to strengthen competencies and improves entrepreneurial performances (Arrighetti et al., 2013; Van der Sluis et al., 2008). Thereby, exposure to both family business and entrepreneurial education at universities play a crucial and complementary role in assisting youngsters to become entrepreneurs (Adedoyin & Odijie, 2017). Hence,
students hailing from family business background benefit more than those without a family business from entrepreneurial courses.

4. Conclusion

This review emphatically suggests that there is a positive influence of family business on the entrepreneurial intention of university students. It provides empirical evidence on how family business influences student’s entrepreneurial orientation. Further, students having a family business were found to benefit more from entrepreneurial education. This finding could give valuable insight to curriculum developers and policy makers to target this population for entrepreneurial courses in order to make optimum use of the available resources and ensure greater entrepreneurial activities in future.

4.1. Limitations

The lack of access to the full texts of some articles may pose to be a limitation of this review.

4.2. Implications and Recommendations

Majority of the empirical studies suggested that family business inculcated a positive attitude among the university students which was reflected by a higher entrepreneurial intention among them. However, majority of these research studies were conducted in a single university leading to limited generalizability of the results. Besides, the study population in most of these studies were business or management students. This might have a bearing on their results as business schools prepare students to be entrepreneurs. It is therefore suggested that future researchers add samples from various locations and courses to have a better overview on the entrepreneurial intention among university students from family business background. Among the articles selected for this review, only three articles used qualitative methods and one used mixed method for exploring the views, perceptions, opinions, and ideas of university students. Predominantly research studies employed quantitative methods with limited scope of expression from the respondents. So, for future research, the authors suggest a mixed approach on this topic to obtain reliable and more in-depth information. An interesting observation made was that students with entrepreneurial mothers demonstrated a more positive response towards self-employment. Thus, future researchers may want to explore the influence of mother’s profession on the choice of career among university students. All the selected studies assessed the influence of family business in general. Future research studies can investigate on the types of family business that attracts more university students towards entrepreneurship. Moreover, the influence of gender on the entrepreneurial intention of university students hailing from family business background is another area worth exploring. Future research into these areas of inquiry would help shed light on these important research gaps. Research studies showed that formal entrepreneurial training to youngsters from entrepreneurial families will add more value to the family business as well as provide structural support to start their own business later. Thus, it is recommended to include the entrepreneurial education in the curriculum across all the courses in the universities to tap the entrepreneurial potential among youth.
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