


Chapter 2

Influence of Family Environment in Promoting Entrepreneurial Intentions and the Proliferation of Entrepreneurs

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EXECUTIVE SUMMARY

Research has shown that the family environment is one of the factors that shapes a person's entrepreneurial intentions, thereby leading to the production of entrepreneurs. Although several studies exist, none seem to have adopted the approach employed in this chapter. Premised on that, the chapter employed a teaching case approach to explain the influence of family environment in promoting entrepreneurial intentions and the proliferation of entrepreneurs. Guided by one research question, namely "How does the family environment promote entrepreneurial intention?" the chapter analysed three cases from Chinese Indonesia, Turkey, and Tunisia building on the theoretical strengths of the theory of planned behaviour and social cognitive theory. These theories were employed to analyse how family environment promoted entrepreneurial intentions in the countries mentioned. Findings from the analysis in the three cases highlighted revealed that the family environment through the instrumentality of role modelling and support for autonomy promotes entrepreneurial intentions.

DOI: 10.4018/978-1-6684-8748-8.ch002

INTRODUCTION

At both the European Union level and globally, a troubling trend emerges as the unemployment rate among youth aged 18 to 24 stands at three times the overall unemployment rate. This stark reality underscores the formidable challenge that unemployment poses for young individuals (Eurostat, 2020). Entrepreneurship is increasingly recognised as a vital avenue for addressing this problem (Halabisky, 2021). Statistically, it is reported that approximately 45% of young people express a preference for pursuing entrepreneurship over traditional employment, with 41% of this demographic believing in the feasibility of such a choice (Halabisky, 2021). Hence, it is argued that entrepreneurial activity is the only pathway out of poverty for young people, especially in Africa (Chigunta, 2017).

Moreover, nurturing greater entrepreneurial involvement among young people worldwide holds the potential to advance progress towards at least one of the 17 Sustainable Development Goals (SDGs) (Georgescu & Herman, 2020). Specifically, this aligns with Goal 8 of the 2030 Agenda for Sustainable Development established by the United Nations (2015), which seeks to promote “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. Essentially, developing entrepreneurs is the potential key to achieving this lofty goal. In the development of entrepreneurs, research has shown that the family environment is considered a factor in steering one’s interest in the direction of entrepreneurial activities (Mala et al., 2019; Osunde, 2017).

The family environment is an individual’s closest community with whom they interact with. The first education that a child receives after birth comes from the family environment (Siregar, 2020). This implies that a child’s future success or challenges can be closely linked to their family environment, which is defined by various factors. These factors encompass the way parents educate, the relationship between parents and family members, the overall home atmosphere, the family’s economic situation, parental understanding, and cultural background (Muhtarom & Suyatno, 2018). Additionally, family backgrounds, including parenting style, parental support, and communication in the family environment, exert a considerable influence on an individual’s interests (Mala et al., 2019).

As proposed by Sandi and Nurhayati (2020), the family environment stands as the most immediate social sphere for an entrepreneur, playing a significant role in shaping the child’s character, including their entrepreneurial traits. It is within this familial context that the atmosphere for an individual’s development and growth is established (Hutagalung et al., 2017). Furthermore, Lingappa et al. (2020) have affirmed that the family and its socialisation exert a profound influence on an individual’s entrepreneurial attitudes and intentions, which are attributable to a number of indicators. According to Moussa and Kerkeni (2021), these indicators

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