

Entrepreneurial Interest in Offspring of Family Business Owners

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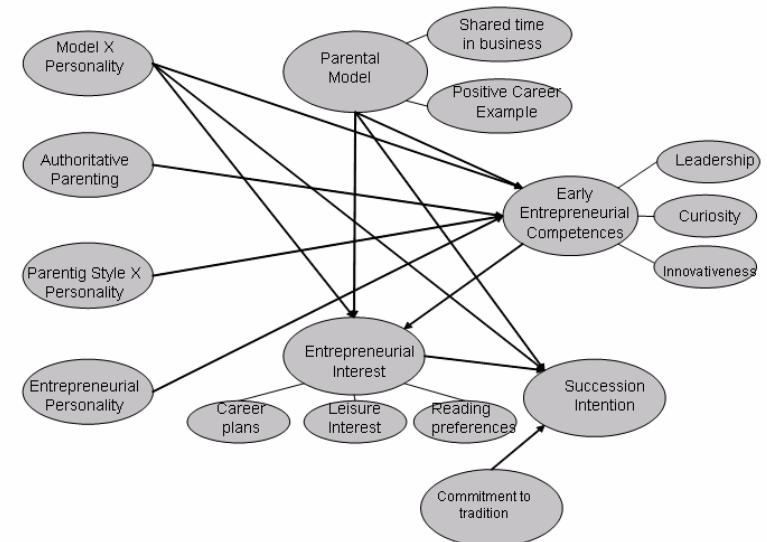
ABSTRACT Most of the small and middle sized enterprises (SME) in Germany are family firms. One of the most central challenges for these companies is succession to the next generation. Despite of being the preferred solution for most entrepreneurs, the number of family businesses that are passed on within the family (e.g., own offspring) is declining. The main focus of this research project is the investigation of the development of entrepreneurial interest and motivation towards business succession in offspring of family business owners. Research indicates that early entrepreneurial interest is one of the most important predictors of entrepreneurial career decisions. In adolescents of families with businesses early entrepreneurial interest could lead towards choosing an educational path that facilitates later succession of the family-owned firm. Moreover, parenting style, family climate, parental role models, and values towards tradition are expected to influence adolescents' entrepreneurial interest and motivation to join and take on the family business. The results will be the basis for a training-program with the aim of enhancing the number of successful inner familiar succession in family business in the long run.

Specifically the research project will consider:

Early entrepreneurial interest: Research on entrepreneurial success indicates that individuals with a certain personality profile - characterized among other factors by high willingness to expend effort and high need for achievement - have shown to be particularly successful entrepreneurs. We consider issues of entrepreneurial personality within the specific constellation of the family business.

Parenting style: Research suggests that the development of entrepreneurial competence may lie in the context within which an individual grows up. Parenting that provides support and rules while simultaneously granting autonomy is known as authoritative parenting. Authoritative parenting has been shown to be beneficial for various variables associated with successful entrepreneurs, such as exploratory activities, achievement orientation, self-efficacy, self-confidence, and internal locus of control.

Parental models: In many studies it has been shown that entrepreneurs often have parents that were entrepreneurs themselves. We address this phenomenon in the specific context of family businesses, by assessing how offspring in these families experiences the work and family demands, work-life balance of the parents, as well as family climate.



AIMS OF THE STUDY

- To investigate the developmental pathways of offspring in families with businesses.
- To develop a model that predicts inner familiar succession intention, and to determine factors that facilitate and reduce motivation to join and to take on the family business.
- To develop and implement a training program based on the findings, designed to support business family's offspring to discover and facilitate entrepreneurial competence.

METHOD

Structured interviews with adolescents aged 14-18 years from family-owned firms and their entrepreneurial parents will be conducted separately. Furthermore, diary records over a period of two weeks should give insights into adolescents' extracurricular, family-business related activities.

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