

INFLUENCE OF FAMILY AND SOCIAL ENVIRONMENT ON THE ENTREPRENEURIAL INTENTIONS OF PEOPLE FROM GENERATIONS Y AND Z

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Abstract: *This study investigates the influence of family and social environments on the entrepreneurial intentions of individuals from Generations Y and Z, emphasizing the significance of intergenerational relationships in shaping entrepreneurial mindsets. The research is grounded in a systematic review of contemporary academic literature, as well as original empirical data collected through a survey conducted among 224 students at the D. A. Tsenov Academy of Economics during the 2023–2024 academic year. The findings reveal a strong predisposition toward entrepreneurship among young individuals, with a pronounced preference for launching ventures in cooperation with family members. Notably, respondents demonstrate high levels of autonomy while still valuing the tangible and emotional support of their immediate social circles. The study identifies diverse patterns of entrepreneurial collaboration, highlighting a strategic orientation toward both innovation and continuity through intergenerational business initiatives. These insights contribute to the broader discourse on entrepreneurial ecosystems by providing an empirically grounded perspective on how generational dynamics and familial capital intersect in shaping entrepreneurial intentions.*

Keywords: *Entrepreneurship, entrepreneurial intentions, entrepreneurial attitudes, entrepreneurial activity, family and social environment.*

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1. Introduction

In modern society, entrepreneurial intentions are formed by numerous factors, among which the family and social environment play a leading role. The family is a fundamental social unit that helps shape entrepreneurial attitudes by conveying ideals and providing role models and early resources. Young people's desire to establish their businesses is heavily influenced by their social circle, which includes friends, teachers, and mentors. These elements have a profound impact on generations Y and Z, which are characterized by high digital adaptability, innovative thinking, and a desire for autonomy. The current study examines the effects of familial and social environments on shaping entrepreneurial inclinations among members of different generations.

2. Literature Review

The family plays a vital role in launching and managing businesses. According to statistics, a significant proportion of enterprises globally are family-owned, highlighting the importance of this component in the economy. In 1996, 75% of the over 27 million enterprises in the United States were categorized as family-owned, and the European Commission believes that 70% to 90% of businesses in EU countries fall into the same group. In the Asia-Pacific region, the share of family enterprises ranges from 80% to 90%

in Singapore, and in China, over 85% of private businesses are owned and operated by families. In Latin America, this percentage ranges from 65% to 98% [1].

Research supports the premise that the social environment has a substantial impact on entrepreneurial activities. According to Djankov et al. [2], the social network of family, relatives, and friends has a significant effect on whether an individual becomes an entrepreneur. A 2007 study in several Brazilian towns found that 81% of the entrepreneurs surveyed had relatives or friends who owned and operated their firms. Additionally, 70% reported that their best friends had launched their enterprises. Similar findings are seen in Russia and China, where the network of friends and family strongly encourages entrepreneurial involvement.

Academic research confirms that the family environment has an impact on entrepreneurial intentions. According to Thresiamma and Adil [3], a study conducted in Malaysia in 2011, the family serves as a role model for students, influencing their entrepreneurial attitudes. Similar findings were obtained by Goethner et al., who discovered that students with entrepreneurial support from their families were more likely to establish a firm [4]. A study of three Bulgarian economic universities found that close and familiar businesspeople, parents, friends, and university instructors have the greatest influence on students' entrepreneurial inclinations [5].

In the context of Fishbein and Ajzen's Theory of Planned Behavior [6], family and social environments are key elements that shape the perceptions and expectations of young entrepreneurs [7]. Social norms, such as the expectations of relatives, friends, and mentors, influence the entrepreneurial decisions of generations Y and Z. Although studies suggest that social norms have a lower effect on those with a high internal locus of control, they continue influencing entrepreneurial attitudes [8]. Furthermore, perceived behavioral control – the belief in one's abilities – is often shaped by the support and example of family and social environments.

According to Shapiro, entrepreneurial intentions result from psychological processes influenced by previous experiences, education, social networks, and personality characteristics [9]. Family and friends play a crucial role in this process, providing both moral support and practical resources, as well as advice and examples of successful firms. Shapiro's concept emphasizes the significance of social connections in acquiring knowledge and accessing opportunities. Young people with entrepreneurial parents or relatives are more likely to consider entrepreneurship a realistic career path. Furthermore, a supportive family atmosphere can foster confidence, creativity, and the ability to deal with problems [7].

In more recent literature, Carr and Sequeira [10] stress that family social capital – defined as the quality and availability of relationships and support within the family – significantly influences entrepreneurial intentions. They argue that beyond simple exposure, the quality of family interactions, trust, and shared values play a crucial role in whether an individual develops a positive attitude toward entrepreneurship.

However, contradictory findings also emerge. Laspita et al. [11] point out that while entrepreneurial parents may inspire their children, they can also exert pressure, create high expectations, or even discourage risk-taking due to fear of failure, leading to ambivalent or negative effects. This introduces a paradox: the same familial influence can be both enabling and constraining, depending on its nature and context. Moreover, Aldrich and Cliff [12] argue that research often romanticizes family influence without addressing intra-family tensions, gender roles, and generational conflicts that can inhibit entrepreneurial activity.

Another theoretical gap concerns intersectionality – how the influence of the family varies across gender, socioeconomic status, and culture. For example, Welter [13] calls for greater sensitivity to contextual influences, noting that family support may manifest differently in collectivist versus individualist cultures, or among men and women with different role expectations. Similarly, Jennings and Brush [14] criticize the lack of gender-aware research in studies of family and entrepreneurship.

Furthermore, although many studies highlight positive correlations between family support and entrepreneurial intention, there is a lack of longitudinal research proving causality. Most studies are cross-sectional and rely on self-reported perceptions, which may suffer from biases. Future research should incorporate long-term, mixed-method studies to trace the developmental trajectory of entrepreneurial mindsets in various family structures.

3. Methodology

This paper includes a literature review of publications related to entrepreneurial attitudes, analyzed through a systematic approach. The sources used include Research Gate, Google Scholar, ScienceDirect, Scopus, and WoS. In addition to theoretical analysis, the study also relies on empirical research⁵ conducted in 2023 and 2024 among bachelor's and master's degree students at the D. A. Tsenov Academy of Economics. The study involved 224 respondents, of whom 206 (92%)⁶ were representatives of generations Y and Z. These generational cohorts were selected due to their increasing role in shaping the entrepreneurial landscape and their heightened exposure to dynamic socio-economic environments. A structured survey method was employed, as it enables the collection of comparable and quantifiable data on attitudes, perceptions, and the influence of family and social factors, thus allowing for both descriptive and inferential analysis.

4. Results and Discussion

Most responders (85%)⁷ had a strong entrepreneurial mindset (Figure 1). This reflects the ambition and desire for independence shared by generations Y and Z. They are constantly seeking ways to showcase their creativity and capitalize on opportunities for innovation. Only a tiny percentage (9%) are uninterested, which could be attributed to a preference for the stability of traditional employment.

⁵ The INTERGEN project seeks to explore the views of university students in nine countries regarding starting their own or continuing a family business. The project's results can be found in multiple articles indexed in the world's top databases, including SCOPUS and WoS, from 2018 to the present. For further information, see www.intergen-theory.eu.

⁶ The data in the “Results and Discussion” part of this publication are only for the two generations combined. The author considers the prospect of more detailed analysis and comparisons in future scientific breakthroughs.

⁷ The percentage shown represents the sum of those who replied “Yes” and “Rather yes”.

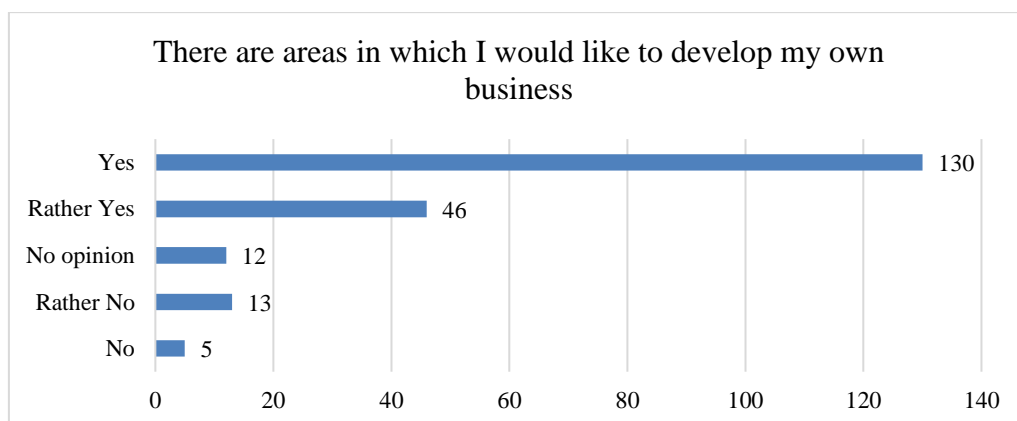


Figure 1. Desire to start own business

Source: INTERGEN Project 2024 Survey

People of generations Y and Z value the support of their loved ones. This could be due to cultural views in which the family plays a vital role in decisions, particularly when beginning a business or managing an existing one. Individuals' business talents and attitudes are heavily influenced by their families. Family history, support, and inspiration from relatives, friends, and loved ones are key influences on entrepreneurial activity. A conducive socio-cultural context is required for the successful implementation of such initiatives. However, approximately 36% are prepared to act without such backing, indicating that for some, trust in one's ability takes precedence over family acceptance (Fig. 2).

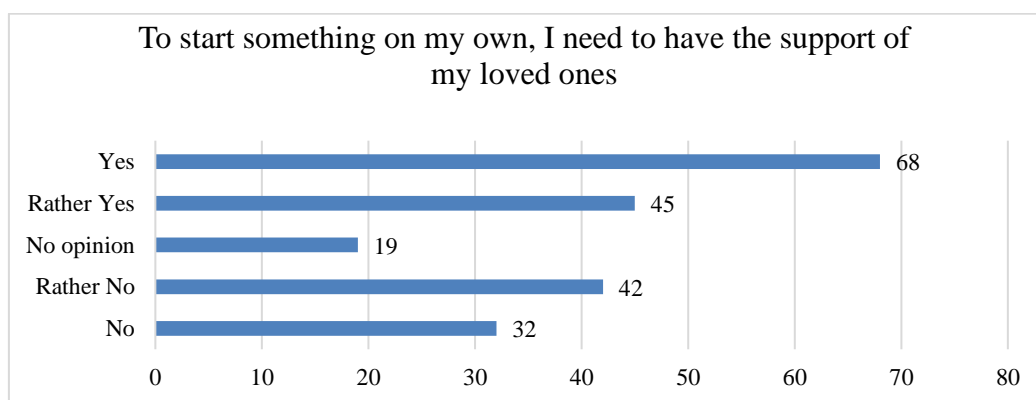


Figure 2. Support from loved ones when starting a business

Source: INTERGEN Project 2024 Survey

The survey data correspond to the answers to the question: “I would start my own business even without the support of relatives and friends”, where 80% of respondents said “Yes” or “Rather yes”. This result indicates a high level of autonomy and self-confidence among representatives of Generation Z, who demonstrate strong internal motivation, and Generation Y, who balance internal beliefs and external factors when making decisions. This indicates a readiness to take risks despite the lack of a supportive social network. In this context, nearly 40% of respondents prefer starting a neoclassical intergenerational family business, as this would provide them with a greater sense of security compared to a completely independent entrepreneurial path. The differences in the answers to this question reflect variations in entrepreneurial strategies. While some respondents seek stability and support within the family business, others are oriented towards independent business ventures. The significant share of those who responded “No opinion” may be an

indication of insufficient practical experience or ambiguity about the potential benefits and challenges of intergenerational business models.

On the other hand, Generation Y and Z students report feeling secure when their parents work as suppliers or subcontractors for their company. People in these generations frequently rely on family support, particularly regarding resources or skills. This indicates an interest in intergenerational cooperation. Certain cultural and family values can account for children's great trust in their parents.

More than half of the respondents are interested in continuing a family business (Figure 3). This may be related to the stability and opportunities offered by the already established foundation, but still, a significant portion, nearly 30%, prefer to create something new.

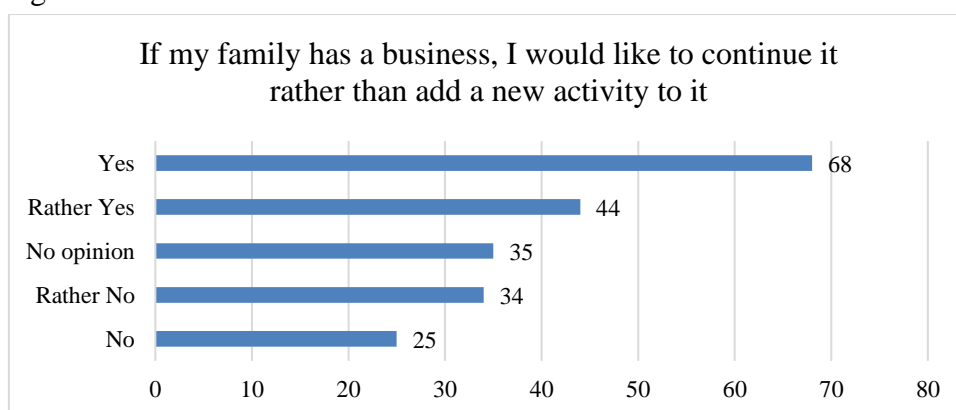


Figure 3. Interest in continuing the family business

Source: INTERGEN Project 2024 Survey

The data from the presented graphs (Figure 4) reveal significant trends in the preferences of generations Y and Z regarding collaboration with family members in an entrepreneurial context.

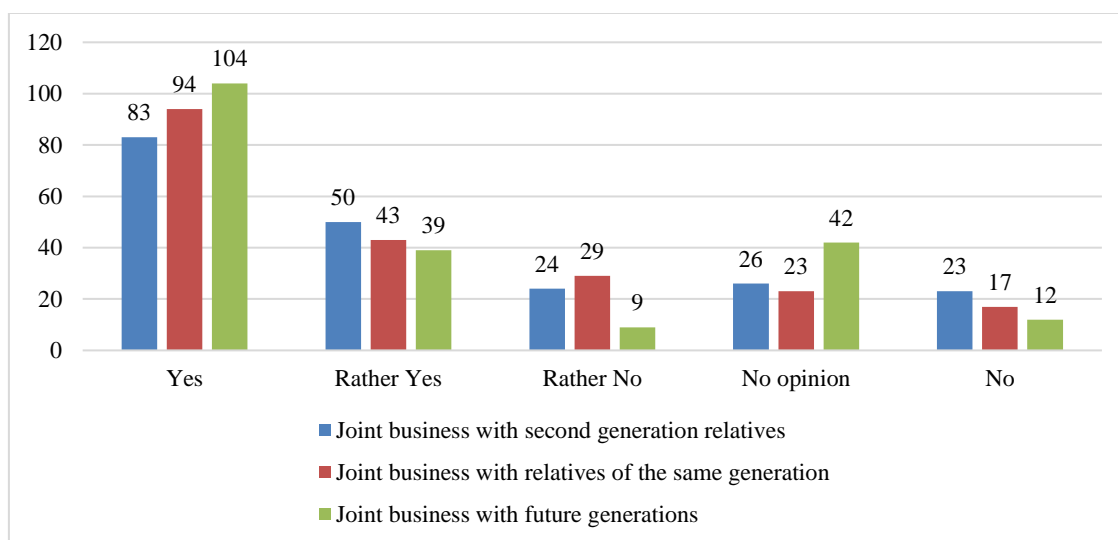


Figure 4. Establishing joint businesses with different generations

Source: INTERGEN Project 2024 Survey

According to the analysis, representatives of the future Alpha⁸ and Beta⁹ generations have the largest tendency for business collaborations (70%). This might be

⁸ Generation Alpha encompasses those born from 2010 to 2024.

seen as a statement of a forward-thinking strategy in which youthful entrepreneurs perceive opportunities to adapt to new technologies and business models.

Business relationships involving members of the same generation, such as siblings, cousins, and in-laws, rank second (67%) in terms of desire. This can be attributed to shared ideals, understandings, and life experiences, which aid communication and cooperation in the entrepreneurial process. At the same time, the high level of trust and shared interests among these relatives likely increases motivation for collaborative effort.

Collaboration with parents (Baby Boomers and Generation X) ranks third with 64%¹⁰, a surprisingly high percentage that reflects some variations in business perspectives between younger and older generations. Young entrepreneurs likely see their parents as a source of experience and stability, but they may have different management styles and perspectives on innovation.

The data reveals that family continues to play an essential role in the entrepreneurial inclinations of generations Y and Z. Despite their great degree of independence, these generations realize the benefits of family support in numerous forms:

1. Close relatives (brothers, sisters, cousins) are seen as the most trustworthy partners, maybe due to a shared life viewpoint and the ease with which a joint company vision can be developed.
2. Parents continue to be a key source of mentorship and financial resources, but younger generations are likely to struggle to align classic company methods with current advances.
3. Y and Z's interest in collaborating with future generations reflects their commitment to sustainability and long-term planning. They seek a balance between technical breakthroughs and accumulated family resources.

5. Conclusions

The findings of this study reaffirm the substantial influence that the family and broader social environment exert on the entrepreneurial intentions of individuals from Generations Y and Z. Despite their pronounced individualism and desire for autonomy, these cohorts continue to rely on emotional, cognitive, and material support from their immediate social circles. This dual orientation, toward independence and interconnectedness, highlights the complex interplay between personal agency and socio-familial structures in entrepreneurial decision-making.

The data reveal a high level of entrepreneurial predisposition among the surveyed students, with 85% expressing an active interest in starting their own business. While a considerable portion (36%) indicates a willingness to proceed without external support, the overall preference for collaboration with family members remains strong. This tendency is particularly notable in the expressed interest in partnerships with both younger and older generations, an indicator of strategic thinking focused on continuity, innovation, and shared responsibility.

However, several limitations must be acknowledged. The study is based on a cross-sectional survey conducted within a single academic institution, which may restrict the generalizability of the findings across different cultural or institutional contexts. Moreover, the reliance on self-reported data introduces the possibility of response bias, especially about socially desirable attitudes toward entrepreneurship and family values. The study

⁹ Generation Beta encompasses those born from 2025 to 2039.

¹⁰ The percentages indicated correspond to the sum of those who answered “Yes” and “Rather yes”.

also does not account for actual entrepreneurial outcomes, focusing instead on intentions and attitudes, which may diverge from future behaviors.

Considering these limitations, future research should consider adopting longitudinal and mixed-method approaches that would allow for deeper insights into how entrepreneurial intentions evolve within varying family dynamics. Further exploration is also warranted into how factors such as gender roles, socio-economic background, and cultural orientation shape the nature and efficacy of intergenerational collaboration in entrepreneurial ventures. Additionally, the impact of emerging technologies and global socio-economic shifts on family business models remains a promising area for inquiry.

By addressing these gaps, future studies can contribute to the development of more nuanced frameworks that capture the dynamic and context-dependent nature of family influence on entrepreneurship. This, in turn, may support the creation of targeted policies and educational programs that enhance entrepreneurial potential among younger generations while fostering sustainable intergenerational business practices.

6. References

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