

## Research Briefing N° 83

### Who becomes an entrepreneur?

The decision to commit to an entrepreneurial career is a process that takes time to unfold. In this study we take a developmental approach examining the antecedents of entrepreneurship using longitudinal data.

**Key words:** entrepreneurship; longitudinal study; competences; entrepreneurial intention

#### Key findings

Findings are of relevance to educators, policy makers, and researchers, young people interested in becoming entrepreneurs and their parents.



- The step into entrepreneurship is influenced by multiple factors and processes, ranging from parental socio-economic resources, available role models, individual preferences and social skills. These factors are interlinked and shape development through their interactions over time.
- Our results particularly highlight the importance of early social skills and entrepreneurial intentions expressed at age 16 in shaping entrepreneurial pathways. This is in addition to and above other individual competences, such as academic ability and general self-efficacy.
- Given the social nature and focus of the entrepreneur's tasks, competencies which enable individuals to interact effectively with others are an integral component of any entrepreneurial activity.
- Early socialisation influences and gender differences are important in the pathways to entrepreneurship. Men are generally more likely to become entrepreneurs than women. However, while for men becoming an entrepreneur was directly predicted by having a self-employed father, for women it was more strongly associated with their parents' socio-economic resources.

#### Implications

These findings point to joint influences: structural factors such as socio-economic background, availability of role models and individual agency, in shaping occupational choice. Focusing on individual characteristics

is not sufficient for gaining a better understanding of career development. Instead, one also has to take into account the challenges and opportunities within the wider social context, especially where there are persistent social and gender inequalities regarding the realisation of individual potential and interests.

Entrepreneurial intentions and social skills manifest early in the life course and have to be fostered to enable young people to realise their ambitions and potential.

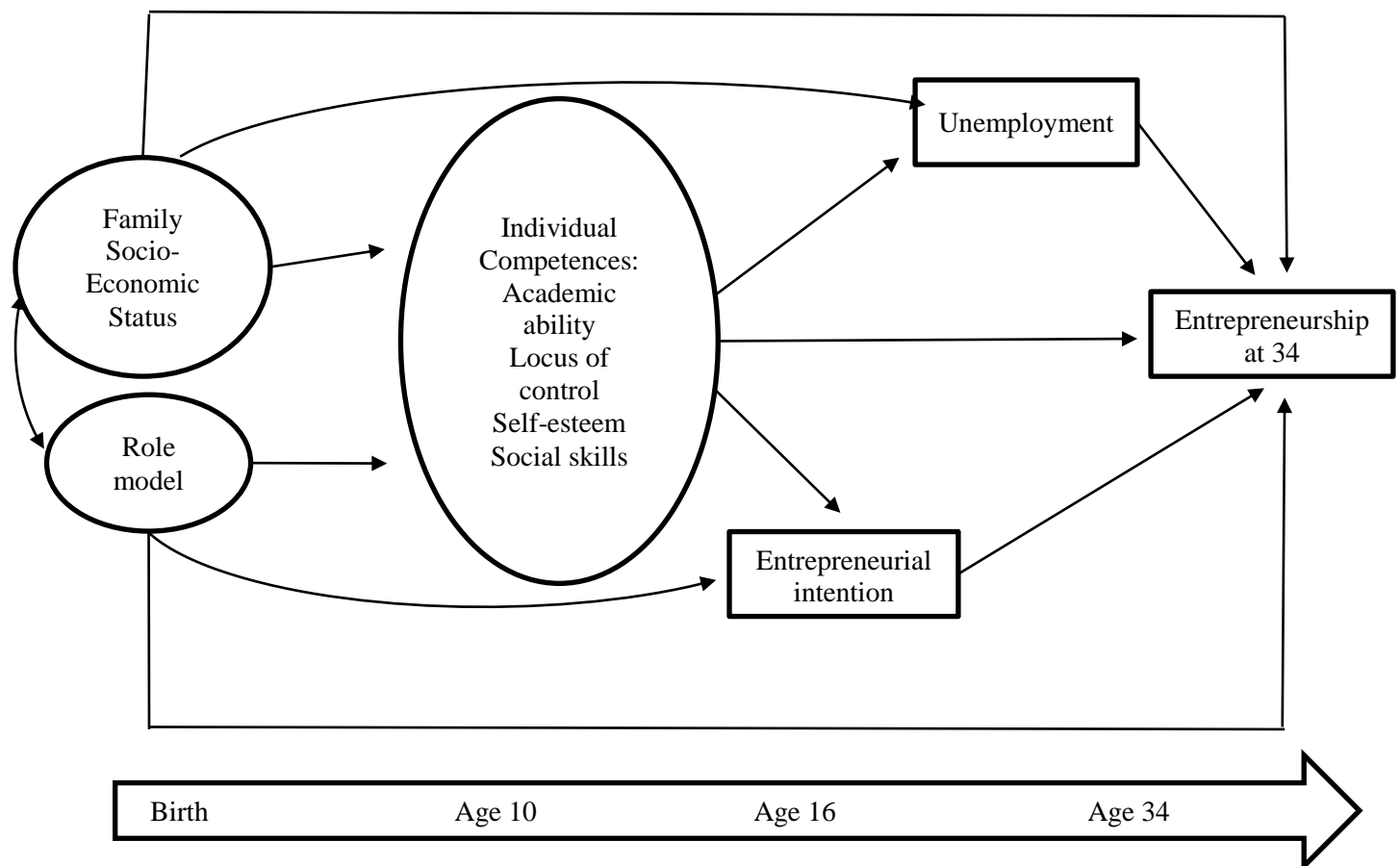
## What we did

To gain a better understanding of the pathways leading to entrepreneurship, our research was guided by a life course approach of human development. This emphasises the role of multiple interacting influences throughout a person's life and how these interact at different stages in their lives.

We examined both early developmental influences and concurrent contextual factors in shaping the emergence of entrepreneurship in the adult life. In particular, we examined the role of socio-economic background, parental role models, academic ability, social skills, and self-concepts. We also examined entrepreneurial intention expressed during adolescence and experiences in the labour market as predictors of entrepreneurship by age 34.

Figure 1 gives a diagrammatic depiction of the model. The model shows two major pathways linking early socialisation experiences to later outcomes. First, one pathway focuses on the intergenerational transmission of socio-economic resources. Second, we assess the intergenerational transmission of values and behaviours (role modeling), linking self-employment among parents to the individual capabilities and work preferences of their children and subsequent occupational outcomes.

**Figure 1:** Developmental-Contextual of Entrepreneurship



Source: Schoon & Duckworth (2012). Special Section in Developmental Psychology

## How we did it

The research was conducted within the international post-doctoral Fellowship programme PATHWAYS to Adulthood, funded by the Jacobs Foundation, and the **Economic and Social Research Council (ESRC) funded Centre for the study of Learning and Life-chances in Knowledge Economies and Societies (LLAKES)**. It uses data collected from the British Birth Cohort Study (BCS70). BCS70 is a nationally representative sample following individuals from birth (born in 1970) into adult life. A developmental-contextual approach was developed linking early socialisation experiences to later outcomes.

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## Further information

Schoon, I. & Duckworth, K. (2012). Who becomes an entrepreneur? Early life experiences as predictors of entrepreneurship. *Developmental Psychology*, 48(6), 1719-1726. doi: 10.1037/a0029168

A [full list of publications](#) is available on our project website 'Pathways to Adulthood'.

See also '[Pathfinder – The Pathways to Adulthood Newsletter](#)' Issue 5, May 2013 and '[About LLAKES](#)'

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