



THE FAMILY FACTOR: HOW FAMILY BACKGROUND INFLUENCES START-UP INTENTIONS AMONG GUJARAT'S YOUTH

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Abstract

This study examines how family background shapes start-up intentions among young people in Gujarat, with particular attention to family business exposure, financial and emotional support, entrepreneurial role models, family networks, perceived approval, and individual confidence. The study is grounded primarily in the Theory of Planned Behavior and complements it with a family-embeddedness perspective. Primary data were obtained through a structured questionnaire using a five-point Likert scale. The supplied dataset contains 61 usable responses. Descriptive statistics, reliability analysis, independent-samples tests, chi-square analysis, correlation analysis, and multiple linear regression were employed. The family-support scale demonstrated high internal consistency (Cronbach's $\alpha = .924$). Respondents with an immediate family member who owned or operated a business reported higher perceived family support ($M = 3.81$) than those without such a background ($M = 2.67$), $t = 3.51$, $p = .001$. Their mean start-up intention was also higher ($M = 3.90$ versus 3.05), although the between-group difference did not reach the conventional .05 significance threshold in the present sample (Welch's $t = 1.95$, $p = .060$). Correlations showed positive associations between family support, self-efficacy, subjective norm, and start-up intention. In the multivariate model, subjective norm was the strongest statistically significant predictor of start-up intention ($B = .472$, $p = .003$), while self-efficacy approached significance ($B = .268$, $p = .075$) and family support was not independently significant after the other predictors were controlled. The findings suggest that family influence matters, but its effect appears to operate partly through perceived social approval and individual entrepreneurial confidence rather than through family support alone. The study contributes Gujarat-specific evidence to the growing literature on family embeddedness and youth entrepreneurship while highlighting the need for larger, probability-based samples and stronger measurement designs in future research.

Keywords

family background; family business; family support; entrepreneurial intention; start-up intention; youth entrepreneurship; subjective norm; self-efficacy; Gujarat; Theory of Planned Behavior

1. Introduction

Entrepreneurial intention is widely treated as an important cognitive antecedent of entrepreneurial action. The decision to create a venture rarely emerges from a single economic calculation; it is shaped by attitudes, perceived capability, social expectations, prior exposure, and the resources available in an individual's immediate environment. Ajzen's Theory of Planned Behavior (TPB) explains intention through attitudes toward the behaviour, subjective norms, and perceived behavioural control. In entrepreneurship research, the framework has become particularly influential because it links social and psychological beliefs to the intention to create a venture (Ajzen, 1991; Liñán & Chen, 2009).

Family is especially relevant because it is often the first social environment in which young people observe work, risk-taking, resource allocation, business problem-solving, and career choice. A family that owns or operates a business can expose children to entrepreneurial routines, informal knowledge, business networks, role models and expectations. Family embeddedness research similarly argues that entrepreneurial activity cannot be fully understood without considering the family and social relationships in which economic action is situated (Aldrich & Cliff, 2003).

The empirical evidence, however, is not uniformly deterministic. Some studies report that entrepreneurial family background increases entrepreneurial intention, while others show that family effects depend on the quality of the experience, the nature of parental influence, cultural context, and the individual's own perceptions of capability. Georgescu and Herman (2020), for example, found higher entrepreneurial intention among students with an entrepreneurial family background. More recent cross-country evidence also indicates a positive relationship between family-business background and entrepreneurial intention, while showing that institutional and cultural forces can shape the strength and pathway of this relationship (Arshad et al., 2026).

This issue is particularly relevant in Gujarat, where family-owned enterprises, trading networks, small businesses and intergenerational enterprise are visible components of the economic landscape. Yet a family business background should not be equated automatically with entrepreneurial intention. A young person may admire an entrepreneur in the family but prefer salaried employment; alternatively, a respondent without a business-owning family may develop a strong entrepreneurial intention through education, peers, digital exposure, or personal self-efficacy.

The present study therefore shifts the question from whether family background matters to how different dimensions of family influence are associated with start-up intention. The analysis distinguishes between objective family business background and perceived family mechanisms, including support, role modelling, social networks, family approval and confidence. This distinction is important because the supplied data indicate that family background is strongly associated with perceived family support, but family support does not remain an independent predictor of intention once subjective norm and self-efficacy are considered.

The contribution of the study is threefold. First, it provides primary evidence from Gujarat's youth. Second, it integrates family background variables with TPB-related psychological variables. Third, it identifies an important practical implication: entrepreneurship policy and education should not treat families merely as sources of finance. Families may influence entrepreneurial intention through approval, modelling, encouragement and the development of confidence.

2. Research Questions

RQ1: Does an immediate family business background differ across respondents' start-up intentions?

RQ2: How strongly are family exposure, family support, self-efficacy and subjective norm associated with start-up intention?

RQ3: Does perceived family support independently predict start-up intention after controlling for self-efficacy and subjective norm?

RQ4: Which family- and individual-level factor is the strongest predictor of start-up intention in the present sample?

3. Objectives of the Study

To examine the relationship between family business background and start-up intention among youth in Gujarat.

To assess the role of family financial, emotional, social and informational support in shaping entrepreneurial intention.

To examine the influence of family entrepreneurial role models and exposure to family business activities.

To determine the relationship between self-efficacy, subjective norm and start-up intention.

To identify the strongest predictors of start-up intention among the variables measured.

4. Hypotheses

H1: Respondents with an immediate family business background have significantly higher start-up intention than respondents without such a background.

H2: Family support is positively associated with start-up intention.

H3: Entrepreneurial self-efficacy is positively associated with start-up intention.

H4: Subjective norm, particularly perceived family approval, is positively associated with start-up intention.

H5: Family support, self-efficacy and subjective norm jointly explain a significant proportion of variance in start-up intention.

5. Literature Review

Study	Year	Focus	Key finding	Relevance to present study
Aldrich & Cliff (2003)	Family embeddedness	Conceptualizes family and business as intertwined social institutions.	Family affects opportunity recognition, start-up decisions and resource mobilization.	Provides the theoretical basis for treating family as an entrepreneurial context rather than a demographic control.
Carr & Sequeira (2007)	Prior family-business exposure	Examines family-business exposure through a TPB perspective.	Prior exposure can shape entrepreneurial intent through learning and social influence.	Supports inclusion of family exposure as a predictor of intention.
Liñán & Chen (2009)	Entrepreneurial Intention Questionnaire	Develops and validates a TPB-based entrepreneurial intention instrument.	Attitude, subjective norm and perceived behavioural control are central to entrepreneurial intention.	Justifies TPB-based measurement and intention as the dependent construct.
Bosma et al. (2012)	Entrepreneurial role models	Examines how role models influence entrepreneurs during the entrepreneurial process.	Role models can provide inspiration, knowledge and behavioural examples.	Supports the family role-model dimension used in the present questionnaire.
Lindquist et al. (2015)	Intergenerational transmission	Investigates the role of parents and family in entrepreneurial outcomes.	Entrepreneurial behaviour may be transmitted across generations, but mechanisms matter.	Shows why family background should be separated from individual intention.
Zapkau et al. (2017)	Prior entrepreneurial exposure	Reviews empirical evidence on prior exposure and entrepreneurial outcomes.	Exposure is heterogeneous and operates through multiple individual and environmental pathways.	Motivates a multidimensional rather than binary measure of family influence.

Georgescu & Herman (2020)	Entrepreneurial family background	Empirical study of students using t-tests, correlations and regression.	Students with entrepreneurial family backgrounds reported higher entrepreneurial intention.	Provides a direct empirical precedent for the present hypothesis.
Abbasianchavari & Moritz (2021)	Role models	Systematic review of 86 journal articles on entrepreneurial role models.	Role-model effects depend on who the model is, when exposure occurs and the surrounding context.	Supports the inclusion of entrepreneurial family role models.
Kumar et al. (2022)	Family background review	Narrative review of 34 original studies on university students.	Family business background can strengthen knowledge, confidence, skills and attitudes, although findings are not uniform.	Highlights the need for context-specific empirical evidence.
Arshad et al. (2026)	Family business background and culture	Cross-country moderated-mediation study of 702 university students.	Family-business background positively relates to entrepreneurial intention, with institutional and cultural mechanisms shaping the relationship.	Demonstrates the contemporary relevance of family background and the importance of context.

6. Theoretical Framework

The study integrates the Theory of Planned Behavior with a family-embeddedness perspective. The TPB proposes that intention is shaped by attitudes toward the behaviour, subjective norms, and perceived behavioural control. In the present study, subjective norm is represented by perceived approval from important people, particularly family, while self-efficacy captures the respondent's perceived ability to start and manage a business. Family background and family support are treated as contextual influences that may shape these beliefs.

Conceptually, the model can be expressed as: Family business background → family exposure/support/role modelling → subjective norm and self-efficacy → start-up intention. The model does not assume that family background has a direct deterministic effect; rather, family influence may be translated into intention through social approval and perceived capability.

7. Methodology

Research design. The study adopts a quantitative, cross-sectional design. Primary data were collected through a structured questionnaire using a five-point Likert scale, where 1 represented strong disagreement and 5 represented strong agreement.

Sample and data. The supplied file contains 61 usable responses. The sample is predominantly young: 38 respondents (62.3%) are aged 18–21, followed by 10 (16.4%) aged 26–30, 7 (11.5%) aged 31–35 and 6 (9.8%) aged 22–25. Forty-two respondents (68.9%) reported that an immediate family member owns or operates a business, while 19 (31.1%) reported no such background. Because the supplied dataset is a small, non-probability sample, the findings should be interpreted as exploratory rather than population estimates.

Measures. Family exposure was measured by one item; family support was operationalised as the mean of six items covering financial support, emotional encouragement, entrepreneurial role modelling, perceived respect for entrepreneurship, family business/social connections, and support following failure. Self-efficacy was measured by one item, subjective norm by one item, and start-up intention by one item. The six-item family-support scale demonstrated high internal consistency (Cronbach's alpha = .924). Data analysis. Descriptive statistics were used to summarize the sample and construct scores. Cronbach's alpha assessed internal consistency. Independent-samples Welch t-tests compared respondents with and without an immediate family business background. A chi-square test examined the association between family background and a binary indicator of high start-up intention (Likert score ≥ 4). Pearson and Spearman correlations examined associations among constructs. Multiple linear regression estimated the independent contribution of family support, self-efficacy and subjective norm to start-up intention. Statistical significance was assessed at $p < .05$.

8. Data Analysis and Interpretation

8.1 Respondent Profile

Age group	n	%
18–21	38	62.3%
22–25	6	9.8%
26–30	10	16.4%
31–35	7	11.5%

The sample is heavily concentrated in the 18–21 age group, indicating that the evidence primarily represents younger respondents rather than the full youth population.

Category	n	%
Male	43	70.5%
Female	18	29.5%
Undergraduate	33	54.1%
Postgraduate	20	32.8%
Ph.D./M.Phil.	4	6.6%
Other	4	6.6%
Student	37	60.7%
Salaried	13	21.3%
Self-employed/Entrepreneur	11	18.0%
Family business: Yes	42	68.9%
Family business: No	19	31.1%

8.2 Descriptive Statistics

Construct	Mean	SD
Family exposure	3.410	1.647
Family support	3.456	1.333
Self-efficacy	3.754	1.457
Subjective norm	3.590	1.532
Startup intention	3.639	1.528

The highest mean score is observed for self-efficacy ($M = 3.754$), followed by subjective norm ($M = 3.590$) and start-up intention ($M = 3.639$). The lowest mean among the family-related items is perceived support in the event of business failure (Q12; $M = 3.230$), suggesting that families may be more comfortable with entrepreneurship in principle than with the uncertainty associated with failure.

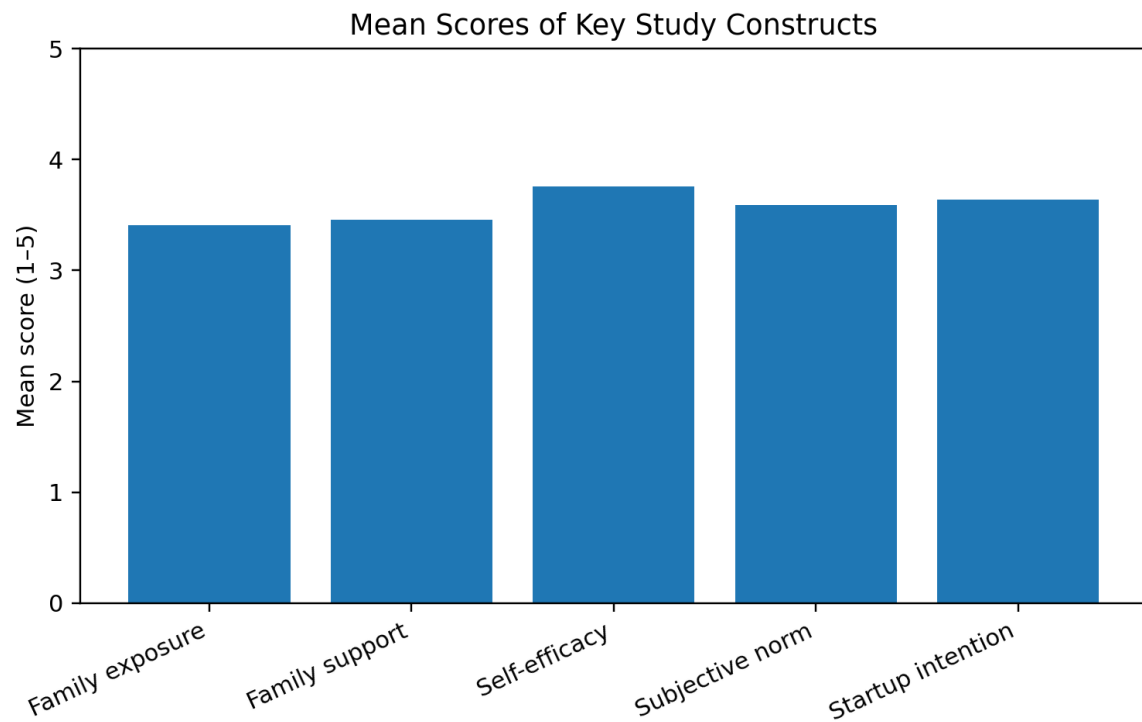


Figure 1. Mean scores of key study constructs.

8.3 Reliability Analysis

The six-item family-support construct produced Cronbach's alpha of .924, indicating high internal consistency. This supports combining the six items into a composite family-support score for exploratory analysis. However, reliability should ideally be complemented by confirmatory factor analysis in a substantially larger sample before publication in a high-impact journal.

8.4 Family Business Background and Start-up Intention

Respondents with a family business background recorded a mean start-up intention of 3.905, compared with 3.053 among respondents without such a background. Welch's independent-samples test yielded $t = 1.952$, $p = 0.060$. The difference therefore approaches, but does not cross, the conventional 5% significance threshold. The effect size (Cohen's d) is approximately 0.57, indicating a moderate practical difference despite the limited statistical power of the sample.

For family support, the difference is stronger: respondents with a family business background reported $M = 3.813$ versus $M = 2.667$; Welch's $t = 3.506$, $p = 0.001$, with Cohen's $d \approx 0.93$. This indicates that family business background is more clearly related to perceived family support than to start-up intention itself.

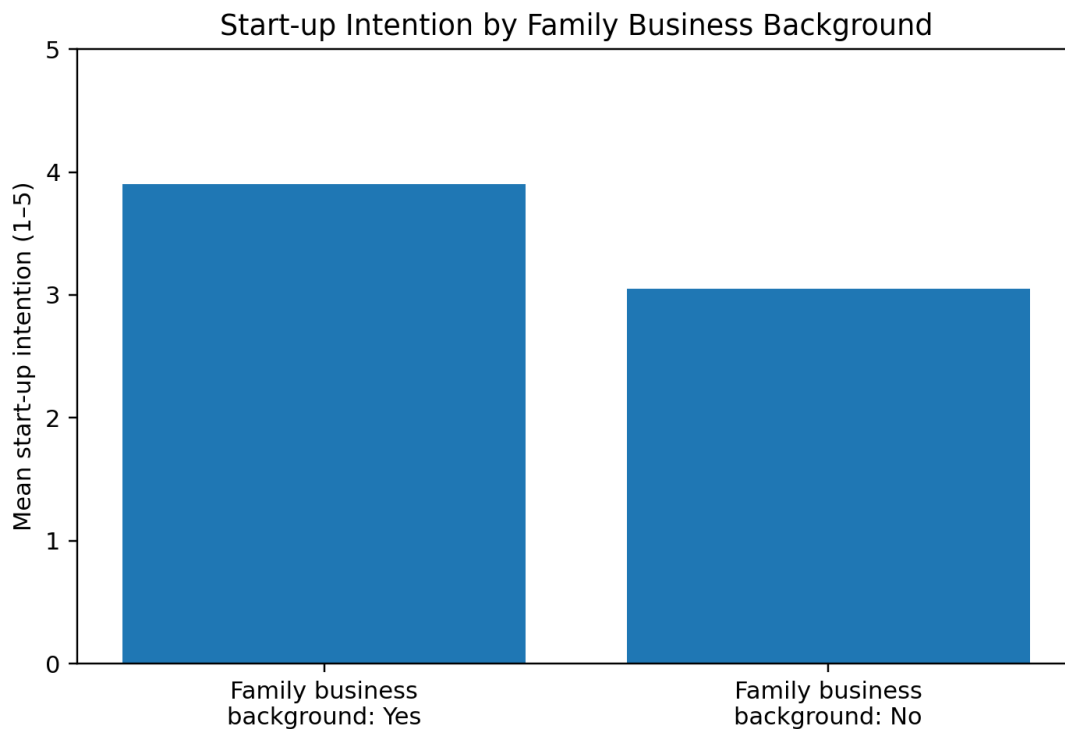


Figure 2. Start-up intention by immediate family business background.

8.5 Association between Family Background and High Intention

Using a threshold of 4 or 5 to represent relatively high start-up intention, 30 of 42 respondents with a family business background (71.4%) were classified as high-intention compared with 9 of 19 respondents without a family business background (47.4%). The chi-square test was not statistically significant, $\chi^2(1) = 2.324$, $p = 0.127$. This reinforces the need for caution: the descriptive pattern favours the family-business group, but the present sample does not provide sufficiently strong evidence to establish a categorical association at the .05 level.

8.6 Correlation Analysis

Variable	Family exposure	Family support	Self-efficacy	Subjective norm	Startup intention
Family exposure	1.000	0.778	0.647	0.709	0.629
Family support	0.778	1.000	0.733	0.779	0.625
Self-efficacy	0.647	0.733	1.000	0.724	0.648
Subjective norm	0.709	0.779	0.724	1.000	0.712
Startup intention	0.629	0.625	0.648	0.712	1.000

The Pearson correlations are uniformly positive. Family support is strongly related to start-up intention ($r = .625$), while self-efficacy ($r = .648$) and subjective norm ($r = .712$) show even stronger relationships. The Spearman pattern is similar, with correlations of .710 between family support and intention, .568 between self-efficacy and intention, and .671 between subjective norm and intention. Given the ordinal nature of Likert data and the small sample, the consistency of Pearson and Spearman results strengthens the interpretation of positive association but does not establish causality.

8.7 Multiple Regression

A multiple linear regression model was estimated with start-up intention as the dependent variable and family support, self-efficacy and subjective norm as predictors. The model was statistically significant, $F(3,57) = 22.84$, $p < .001$, explaining 54.6% of the variance in start-up intention ($R^2 = 0.546$; adjusted $R^2 = 0.522$).

Predictor	B	SE	t	p
Family support	0.079	0.177	0.448	0.656
Self-efficacy	0.267	0.147	1.816	0.075
Subjective norm	0.472	0.152	3.107	0.003

Subjective norm is the only statistically significant independent predictor in the model ($B = .472$, $p = .003$). Self-efficacy has a positive but marginal association ($B = .268$, $p = .075$), whereas family support becomes statistically non-significant after controlling for self-efficacy and subjective norm ($B = .080$, $p = .656$). The result suggests that the influence of family may be transmitted through perceived approval and individual confidence rather than operating as a simple direct effect of material or emotional support.

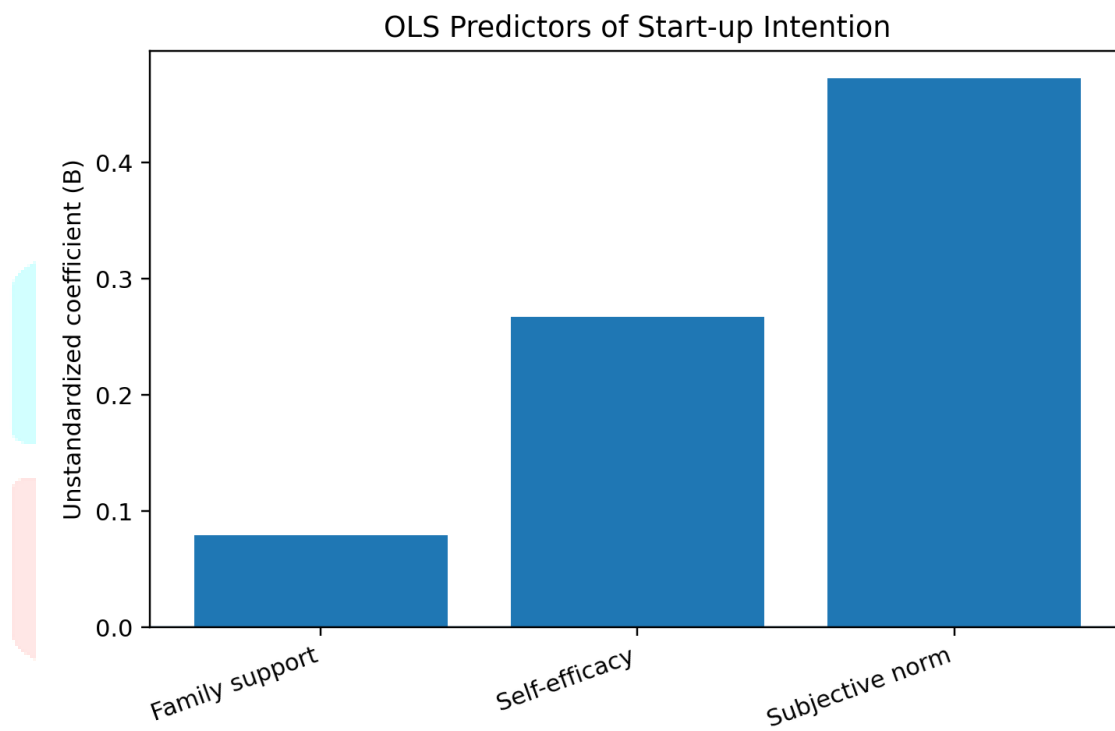


Figure 3. OLS regression coefficients predicting start-up intention.

9. Results and Hypothesis Testing

Hypothesis	Claim	Evidence	Decision
H1	Respondents with family-business background have higher start-up intention	Welch $t = 1.952$, $p = .060$	Not supported at $p < .05$; moderate descriptive difference.
H2	Family support is positively associated with start-up intention	$r = .625$, $p < .001$; regression $B = .080$, $p = .656$	Supported at bivariate level; not independently supported in regression.
H3	Self-efficacy is positively associated with start-up intention	$r = .648$, $p < .001$; $B = .268$, $p = .075$	Positive association supported; independent effect is marginal.
H4	Subjective norm is positively associated with start-up intention	$r = .712$, $p < .001$; $B = .472$, $p = .003$	Supported.

H5	Family support, self-efficacy and subjective norm jointly explain significant variance	$F(3,57) = 22.84, p < .001; R^2 = .546$	Supported.
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10. Findings

Family business background is common in the sample: 68.9% of respondents reported an immediate family member who owns or operates a business.

Family business background is strongly associated with perceived family support, with a large practical difference between groups (Cohen's $d \approx 0.93$).

Respondents with family business background report higher start-up intention, but the difference is only marginally significant in the present sample ($p = .060$).

Subjective norm has the strongest bivariate and multivariate relationship with start-up intention, indicating that perceived approval from important people—particularly family—matters substantially.

Self-efficacy is positively associated with intention and contributes to the explanatory power of the regression model, although its independent effect is not significant at the .05 level in this small sample.

Family support has a strong bivariate relationship with intention but loses statistical significance in the multivariate model. This suggests overlap among family support, perceived approval and self-efficacy.

The overall regression model explains 54.6% of the observed variance in start-up intention, which is substantial for an exploratory model, but the estimate should not be generalized beyond the sample.

11. Discussion

The results provide a nuanced answer to the family-factor question. Family background matters, but not necessarily in a direct or deterministic manner. The strongest evidence is found in the connection between family business background and perceived support. Young respondents who grew up in or around business-owning families appear to perceive a more supportive entrepreneurial environment. This is consistent with family-embeddedness and role-model perspectives, which suggest that family can provide social learning, knowledge, networks and legitimacy.

At the same time, the non-significant .060 group difference in start-up intention is theoretically informative. It indicates that having an entrepreneur in the family does not automatically translate into an intention to launch a start-up. The multivariate result strengthens this interpretation: once subjective norm and self-efficacy are included, family support itself contributes little unique explanatory power. In other words, the family may matter because it shapes what young people believe is socially acceptable and what they believe they are capable of doing.

This finding is broadly compatible with the TPB. Subjective norm is a significant predictor of intention in the present data, while self-efficacy is positively related to intention. Family background can therefore be understood as part of the social environment through which normative beliefs and perceived control are formed. The finding also complements recent cross-cultural research showing that family-business background interacts with institutional and cultural mechanisms rather than functioning as a universally uniform influence.

12. Suggestions and Recommendations

Design family-inclusive entrepreneurship programmes. Entrepreneurship education should include short family-orientation sessions explaining venture risk, staged financing, failure, and the difference between support and control.

Use family entrepreneurs as structured role models. Colleges and incubators can invite first-generation and next-generation entrepreneurs to discuss both success and failure so that students develop realistic rather than idealised expectations.

Strengthen entrepreneurial self-efficacy. Practical activities such as opportunity identification, business-model design, pitching, customer interviews and small experiments should be used to convert family encouragement into individual capability.

Build social approval for entrepreneurship. Institutions should explicitly communicate that entrepreneurship is a legitimate career choice while avoiding the message that every student must become an entrepreneur.

Provide support to students without family-business backgrounds. Incubators can compensate for missing family networks through mentors, alumni networks, legal clinics, market-access support and peer communities.

Address fear of failure. Q12 had the lowest family-support mean among the family-support items. Family-oriented programmes should normalise experimentation and controlled failure.

Use Gujarat-specific ecosystem linkages. Universities, incubators, local industry associations, banks and government entrepreneurship programmes can create pathways through which students can access networks normally available through family businesses.

Improve future research design. A larger probability-based sample across Ahmedabad, Surat, Vadodara, Rajkot and other Gujarat districts should be collected, with balanced representation by gender, age, education and family-business background.

13. Limitations

The study has important limitations. The sample size is 61 and appears to be a convenience sample, limiting statistical power and external validity. Most constructs are measured with one item, except family support; future research should use validated multi-item scales. The cross-sectional design prevents causal inference. The sample is disproportionately aged 18–21 and male, which limits representativeness. The dataset relies on self-reported responses, so common-method and social-desirability bias cannot be ruled out. The analysis also does not include potentially important controls such as parental education, household income, prior entrepreneurship education, location, or previous work experience. These limitations mean that the present article should be positioned as an exploratory empirical study or pilot study unless a larger dataset is collected.

14. Conclusion

The family factor is important, but its influence is more complex than a simple family-business-versus-no-family-business distinction. In the Gujarat sample examined here, family business background is strongly associated with perceived family support and is descriptively associated with higher start-up intention. However, the direct group difference in intention is not statistically significant at the conventional 5% level. The strongest predictor of intention is perceived social approval, particularly from important people and family, while self-efficacy also shows a meaningful positive relationship.

The central implication is that families influence entrepreneurship not only by providing money or business connections but also by shaping norms, confidence and the perceived legitimacy of entrepreneurship as a career. Entrepreneurship policy and education should therefore treat the family as a social institution within the entrepreneurial ecosystem. For Gujarat's youth, the most promising approach is not to reproduce family businesses automatically, but to convert family experience, social approval and networks into independent entrepreneurial capability.

For a journal submission, the present findings should be treated as preliminary evidence. A larger and more representative Gujarat-wide survey, stronger validated measurement, and preferably structural equation modelling or longitudinal analysis would materially strengthen the contribution and publication readiness.

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Appendix A. Questionnaire-to-Construct Mapping

Item	Question focus	Operational construct
Q5	Immediate family owns/operates a business	Family business background
Q6	Growing up around family business increased interest	Family exposure
Q7	Family would provide financial support	Family support
Q8	Family provides emotional encouragement	Family support
Q9	Entrepreneur in family is a role model	Family role modelling
Q10	Family views entrepreneurship as respectable/desirable	Family normative climate
Q11	Family business/social connections could help	Family social capital
Q12	Family would support respondent after failure	Family support
Q13	Confidence to start/manage a business	Self-efficacy
Q14	Important people/family would approve	Subjective norm
Q15	Intention to start a business/start-up	Start-up intention