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Influences of parental occupation on occupational choices and professional values



Iciar Pablo-Lerchundi ^{a,*}, Gustavo Morales-Alonso ^{b,1}, Rosa María González-Tirados ^{a,2}

- ^a Instituto de Ciencias de la Educación (ICE), Universidad Politécnica de Madrid, c/Profesor Aranguren, 3, Madrid 28040, Spain
- ^b ETSI Industriales, Universidad Politécnica de Madrid, c/José Gutiérrez Abascal, 2, Madrid 28006, Spain

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ABSTRACT

Technology entrepreneurship is crucial for economic development and job creation. Success of technology startups, however, depends on the quality of their human capital. Engineering students have the entrepreneurial potential necessary for technology businesses creation. Exposure to role models is a determinant in the development of occupational choices, professional values, and entrepreneurial intentions and behavior. This study broadens knowledge on parental occupation's influence on offspring's career plans and professional values. Data from 851 engineering and architecture students show that self-employed parents foster entrepreneurial intentions in their children, whereas civil servant parents are negative entrepreneurial role models. Parental occupation also influences students' views on how attractive these two professional options are. Students with self-employed parents value financial reward more than civil servants' children do. This study shows that parental occupation influences offspring's professional choices and values.

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1. Introduction

The creation of new technology-based firms (NTBFs) leads to economic development and growth (Audretsch, 1995; Carree & Thurik, 2010; Yagüe-Perales & March-Chorda, 2013). Such ventures are particularly important during economic crises such as the one currently afflicting Spain, where most new firms are non-innovative and unlikely to provide economic progress. The Global Entrepreneurship Monitor (GEM) (Hernández-Mogollón, 2014) reports that for many Spaniards, self-employment is the main motivation for creating a business. A firm founded upon such premises is unlikely to have employees other than the entrepreneur, which is the case for more than half of Spanish firms (European Commission, 2014). Therefore, these firms will probably not contribute significantly to economic growth (Shane, 2009).

Entrepreneurs with the necessary capabilities to found an NTBF are scarce because not everyone possesses the technical knowledge and education that creating a technology venture requires. Human capital, in which education plays a significant role, is one of the most important factors for NTBFs' growth (Colombo, Delmastro, & Grilli, 2004; Colombo & Grilli, 2005; Ribeiro Soriano, 2010).

¹ Tel./fax: +34 913363277 / 3005.

Therefore, understanding the determinants of engineering students' entrepreneurial intentions is essential. The existence of entrepreneurial role models is one of the most important factors in entrepreneurial intention development. Role models may be parents (Carr & Sequeira, 2007; Chlosta, Patzelt, Klein, & Dormann, 2010; Laspita, Breugst, Heblich, & Patzelt, 2012; Mungai & Velamuri, 2011), peers (Falck, Heblich, & Luedemann, 2010; Lerner & Malmendier, 2012), or other more distant individuals (Boissin, Branchet, Delanoë, & Velo, 2011; Bosma, Hessels, Schutjens, Praag, & Verheul, 2012).

This research focuses on how parental occupation affects occupational choice development and professional values of engineering students at the Technical University of Madrid (UPM), the biggest polytechnic university in Spain. The study's relevance lies in the need for new, innovative technology ventures to generate employment and economic growth. Furthermore, the research context is relevant. With more than 42,000 students, the UPM has massive potential to foster technology entrepreneurship.

2. Research framework

2.1. Role models and entrepreneurial intentions

Parental occupation influences children's professional career choices (Otto, 2000), and self-employed parents foster children's entrepreneurial intentions (Boissin et al., 2011; Bosma et al., 2012; Carr & Sequeira, 2007; Chlosta et al., 2010; Laspita et al., 2012; Mungai & Velamuri, 2011). Role models are only determinant for the individual if they belong to the direct environment. Evidence exists that entrepreneurs

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^{*} Corresponding author. Tel/fax: +34 913366807/6812. E-mail addresses: iciar.depablo@upm.es (I. Pablo-Lerchundi), gustavo.morales@upm.es (G. Morales-Alonso), rosa.gonzalez@upm.es (R.M. González-Tirados).

² Tel./fax: +34 913366809/6812.

who are either friends, distant relatives, or known from the media (Boissin et al., 2011; Bosma et al., 2012) are less influential than close family members are. Less conclusive are results concerning peers', school mates', and work colleagues' influence, with age and maturity playing an important role (Falck et al., 2010; Lerner & Malmendier, 2012). Hence, this study's first hypothesis is as follows:

H1a. Self-employed parents act as positive entrepreneurial role models for their children and foster children's entrepreneurial intentions.

Regarding the existence of a negative role model for entrepreneurial intentions, Mungai and Velamuri (2011)posit that parents' failure in entrepreneurial activity negatively affects their offspring's entrepreneurial intentions. If parental occupation determines children's career choices via positive and negative role modeling, parents who work in the public sector may hinder their children's entrepreneurial intentions. These parents thereby represent a different negative role model from the one previously considered in the literature; hence, the following hypothesis:

H1b. Parents who work in the public sector act as negative entrepreneurial role models for their children and hinder children's entrepreneurial intentions.

2.2. Individual perceptions of employment options

Exposure to role models influences the decision to become an entrepreneur. However, to what extent does parental occupation determine the individual's perception of employment options? Do children of self-employed parents perceive that society assigns positive values to entrepreneurs? Do civil servants' children feel that society rates public employment more highly than society rates entrepreneurship?

The GEM reports (Hernández-Mogollón, 2014) that 52.3% of the Spanish population between 18 and 64 consider that entrepreneurs enjoy high social and economic status. The average for the innovative-based economies (66.5%) is well above that level. According to Eurobarometer data (European Commission, 2012), 62% of the Spanish population prefers to work as an employee, whereas only 35% prefers to be an entrepreneur. In contrast, the EU27 averages are 58% and 37%, respectively. Data on Spanish youth, for whom the economic downturn is of great concern (under-25 unemployment rate is 55%), show that self-employment is the least desirable professional option. Lastly, a survey by the Complutense University of Madrid (UCM, 2013) shows that only 11% of respondents want to be self-employed. In contrast, 31.4% prefer to work in a private firm, and 32.4% prefer a career as a civil servant.

These figures illustrate Spanish society as not particularly prone to supporting the founding of new ventures. These data, however, fail to provide information about the beliefs of individuals with self-employed or civil service role models. This study posits that these role models exert a significant influence.

H2. Parental occupation determines children's perceptions of how society values employment in civil service or self-employment.

The average Spaniard prefers to work for private firms or the state rather than being self-employed. University students, who face high unemployment among their age group, may hold this view. This study tests the hypothesis that having self-employed or civil servant parents determines children's perceptions of the attractiveness of each profession.

H3. Parental occupation determines the extent to which offspring regard self-employment or civil service jobs as attractive.

2.3. Desired professional values

Professional values are job characteristics that an individual hopes to obtain in his or her professional career. Boissin et al. (2011) find that having an interesting job, accomplishing dreams, and having

opportunities for future career development are the highest-ranking professional values among French university students. Spanish students, however, value a good working environment, security, stability, and flexibility (UMC, 2013) most highly.

The main differences in professional values of students with or without a positive role model for entrepreneurship reside in the desire for job security and free time (Boissin et al., 2011). While students with self-employed parents tend to rank lower on these items, the exposure to a successful entrepreneurial role model predisposes the individual toward achieving autonomy at work and being his or her own boss. Having self-employed parents determines independence, self-actualization, and financial reward as desirable professional attributes.

H4a. The children of self-employed parents prefer professional values of independence, financial reward, and self-actualization.

Boissin et al. (2011) find that negative parental entrepreneurial role models mean that offspring prefer stress-free jobs with light workloads. Demmke (2005) reports the importance that public workers place on job security and good working conditions, especially in a context of economic uncertainty. The main difference in professional values between the public and private sector is the importance of job security (Demmke, 2005).

Entrepreneurs usually have lower uncertainty avoidance than non-entrepreneurs (Busenitz & Lau, 1997; McGrath, MacMillan, & Scheinberg, 1992). This study posits that parents transfer these characteristics to their children; hence, the following hypothesis:

H4b. Civil servants' children prefer spare time and security as professional values.

In summary, this research focuses on whether parental occupation as an entrepreneur or civil servant determines children's occupational choices and preferred professional values. A lack of research exists on issues relating to civil servant role models and differences with entrepreneurial role models. Fig. 1 depicts the research question and hypotheses.

3. Methods

3.1. Sample

The final sample comprised 851 engineering and architecture students at UPM, of which 67.3% were men and 32.3% were women (0.4% non-response). Students' mean age was 20.5 (standard deviation 2.90). Respondents were studying one of five degrees: Aeronautical Engineering (31.7% of the sample), Architecture (18.3%), Civil Engineering (20.1%), Mechanical Engineering (24.2%), or Telecommunications Engineering (5.6%).

3.2. Variables

A survey addressing occupational choices and professional values of students yielded data. Data collection took place at the beginning of the 2012/2013 winter semester. Six items based on Ajzen's (1991) theory of planned behavior and Liñán and Chen's (2009) research collected data on students' purpose for starting their own firms. These items yielded the dependent variable entrepreneurial intentions (EI) on a sevenpoint Likert scale ($1 = low\ EI$; $7 = high\ EI$). Respondents' gave their opinions of society's perceptions of career attractiveness by rating attractiveness of self-employment and working for the civil service on a six-point scale (1 = attractive; 6 = unattractive). Evaluation of students' own perceptions of professional careers' attractiveness used the same scale. Students rated on a seven-point scale ($1 = least\ important$; $7 = most\ important$) five aspects regarding professional values: independence, financial reward, self-actualization, security, and spare time. Students also indicated whether their parents owned

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