

Family Meals Ignite the Entrepreneurial Spirit

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The family often has a strong influence on whether or not someone becomes an entrepreneur. Because they shape values, education, and experiences, families are often referred to as the "oxygen that fuels the fire of entrepreneurship." Because they share values about how things ought to be, families exert much influence on individuals' attitudes and career choices. However, it's important to note that family members are all different, and together they create the social dynamics that shape the family's interactions. This means that aspiring entrepreneurs must understand how family dynamics and characteristics influence their decision to start a business.

Recognizing that the time spent together as a family is crucial for the socialization process of entrepreneurs, we researched the significance of family meals in fueling entrepreneurship and how differences among family members might affect that impact. Family meals serve as "cultural sites where members of different generations and genders come to learn, reinforce, undermine or transform each other's ways of acting, thinking and feeling in the world" (Ochs & Shohet, 2006 (<https://journals.sagepub.com/doi/full/10.1177/10422587231170213#bibr108-10422587231170213>), p. 47). Therefore, we expected families with more frequently shared meals to have a greater influence on their members' likelihood of starting a business.

Our research revealed that depending on their make-up, families can encourage or discourage entrepreneurship. We found that families with age and gender diversity – a healthy mix of men and women of all ages -- made people less likely to want to start businesses. On the other hand, families with diversity in educational backgrounds and industry experience encouraged people to launch their own businesses. Thus, who comprises one's family household has a significant effect on an individual's likelihood of starting a business.

Additionally, our research shows that family meals can provide a way for families to overcome differences and encourage entrepreneurship, as a setting where

socialization and interaction occur. Specifically, those families with diverse education and industry experience fuel the fire of entrepreneurship when they dine together frequently.

Our Study

To address our research questions and uncover these insights, we utilized data from the China Family Panel Studies (CFPS), which provided us with a representative sample of 8,162 individuals tracked over eight years, from 2010 through 2018. The data included information on each person and their household family members' age, gender, educational level, and industry, as well as how often their family shared meals together in a typical week. We also looked at how many individuals transitioned from being employees or "not working" to becoming self-employed during that eight-year period.

Our analyses revealed that people in families with higher levels of age and gender diversity were less likely to become entrepreneurs. This could be because older generations are far more cautious, and Chinese culture encourages younger people to defer to their elders. However, we found the opposite in cases in families whose members are employed in a diverse range of industries. In such families, people were *more* likely to pursue entrepreneurship. Furthermore, we found that individuals who had frequent dinners with their families were more likely to start their own businesses, especially when the dinner table included relatives with diverse educational levels and experience working in different industries.

Overall, our findings suggest that family diversity can act as a "double-edged sword." While greater diversity in gender and generations in a household can discourage entrepreneurship, diversity in educational level and industry experience ignites it, particularly when the family frequently dines together. Thus, knowledge-based diversity (i.e., different educational and industry experience) in a family household was shown to be



important, with family meals offering the family the chance to trade ideas and learn from one another, thus nurturing the entrepreneurial spirit.

The Takeaway

Our research offers several key takeaways for aspiring entrepreneurs and their advisors:

First, our study alerts aspiring entrepreneurs to the pressures that may arise in households with high age and gender diversity. These people may want to seek advice and resources from outside their immediate family in order to receive support and encouragement for their startup idea. In contrast, aspiring entrepreneurs from households with high industry diversity may benefit from using the family as an important source of information and resources.

Second, families and policymakers hoping to encourage entrepreneurship should recognize that family meals often serve as the conduit for sharing information, resources, and advice. Family meals create an important bond for families and provide a setting where diverse family members can share values and ideas. This also suggests that for business-owning families, frequently dining together is likely to reinforce strong bonds while also encouraging entrepreneurship – two things that family firms often “hunger” for.

Finally, aspiring entrepreneurs looking to harness the benefits from education and industry diversity in their family should make time for more family meals. This time together encourages the family to exchange ideas and to learn from one another.

Explore the Research

[Family Diversity and Business Start-Up: Do Family Meals Feed the Fire of Entrepreneurship?](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4405976)

(https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4405976) Wei Wang, Kimberly A. Eddleston, et al, *Entrepreneurship Theory and Practice*, April 23, 2023

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