

Do Family Meals Fuel Entrepreneurship in Family Businesses?

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Should families talk about their business during mealtime? On the one hand, some argue that mealtime should be about the family, with time being devoted to building family bonds and personal relationships. If mealtime centers too much on solving the problems of the business, children may come to resent the family business and see it as an obstacle in their parents' lives. On the other hand, some argue that mealtime offers the perfect opportunity for parents to teach their children about the business and to seek their input. Such conversations can help build their children's interest in the business and demonstrate to them that their insight is valued.

Although this debate may never be fully settled, a recent study offers some interesting insight into how family meals spark entrepreneurship. Extending the study's findings to family business situations suggests that business-owning families who share meals together may have an advantage in maintaining their entrepreneurial spirit. Because families shape members' values, education, and experiences, they are often referred to as the "oxygen that fuels the fire of entrepreneurship." They share values about how things ought to be, thus exerting 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.

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,

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 interested in entrepreneurship. On the other hand, families with diversity in educational backgrounds and industry experience were more entrepreneurial. Thus, who comprises one's household has a significant effect on family members' entrepreneurial propensity.

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 entrepreneurs during that eight-year period.

Our analyses revealed that people in family households 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 of families whose members have experience 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

Extending our research to the family business context offers several key takeaways.

First, 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.

Second, our study alerts families to the pressures that may arise in households with high age and gender diversity. These families may need to take action to ensure that each generation and gender are encouraged to voice their opinion and participate in discussions centering on entrepreneurship. In contrast, families from households with high industry diversity may benefit from using the family as an important source of information and resources that can support their entrepreneurial endeavors.

Finally, business-owning families looking to harness the

benefits of education and industry diversity in their families should make time for more meals together. This time together encourages the family to exchange ideas and learn from one another. Discussing entrepreneurial ideas during mealtime also allows family members not involved in the business to offer insight and new perspectives which, in turn, should foster their identification with the family’s business.

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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