A FAMILY EMBEDDEDNESS PERSPECTIVE ON THE ENTREPRENEURIAL ENTRY PROCESS. OPERATIONALIZATION AND CONSEQUENCES (SUMMARY)

Massimo Baù  
Jönköping International Business School, massimo.bau@jibs.hj.se

Mattias Nordqvist  
Jönköping International Business School

Karin Hellerstedt  
Jönköping International Business School

Recommended Citation
Baù, Massimo; Nordqvist, Mattias; and Hellerstedt, Karin (2012) "A FAMILY EMBEDDEDNESS PERSPECTIVE ON THE ENTREPRENEURIAL ENTRY PROCESS. OPERATIONALIZATION AND CONSEQUENCES (SUMMARY)," Frontiers of Entrepreneurship Research: Vol. 32: Issue 4, Article 5.  
Available at: http://digitalknowledge.babson.edu/fer/vol32/iss4/5

This Summary is brought to you for free and open access by the Entrepreneurship at Babson at Digital Knowledge at Babson. It has been accepted for inclusion in Frontiers of Entrepreneurship Research by an authorized administrator of Digital Knowledge at Babson. For more information, please contact digitalknowledge@babson.edu.
A FAMILY EMBEDDEDNESS PERSPECTIVE ON THE ENTREPRENEURIAL ENTRY PROCESS. OPERATIONALIZATION AND CONSEQUENCES

Massimo Baù, University of Udine, IT and Jönköping International Business School, Sweden
Mattias Nordqvist, Jönköping International Business School, Sweden
Karin Hellerstedt, Jönköping International Business School, Sweden

Principal Topic

The assumption of the socially embedded nature of economic activities (Polanyi, 1944; Granovetter, 1985) is at the core of the embeddedness perspective. Entrepreneurship is an embedded socio-economic process where the nature, the depth and the extent of individual’s ties into the environment can create a contextual competitive advantage (or disadvantage). While being the most important social structure in most societies, following Aldrich and Cliff (2003) that note that the impact of the family on businesses is generally underestimated we adopt and operationalize a family embeddedness perspective to investigate what impacts individuals’ entry into entrepreneurship, defined as new venture creation. We do so by drawing on the literature of capitals. We propose an empirical analysis that considers the impact of the family on the entrepreneurial process of an individual, while distinguishing between the possession of human, cultural, social, and financial capital of both the individual and his/her family. The adoption of the capital literature allows us to discuss the significant role of the family within the society.

Method

In order to investigate how family embeddedness influences individuals’ behavior in terms of starting new ventures, we rely on matched employer employee data obtained from Statistics Sweden (SCB), having access to data covering the entire Swedish population of individuals and firms. We focus on subjects that have taken a formal decision about their working activity, between being employed and self-employed. In order to test our hypotheses, we employ a logistic regression, focusing on the influence of the different forms of capital on new venture creation.

Results and Conclusions

The conceptual framework offers an innovative integration between the embeddedness literature and the literature of different types of capital, reinforced by an empirical model that supports the theoretical analysis. Thus, we propose one tool that can be applied when considering the impact of relations upon the entrepreneurial process. In detail, we test how the endowment of the different forms of capital, influences the individual decision of being entrepreneur, supporting the family embeddedness perspective.

CONTACT: Massimo Baù; massimo.bau@jibs.hj.se; (T): +4636101000; (F): +46036165069; Centre for Family Enterprise and Ownership, Jönköping International Business School, P.O. Box 1026 SE-551 11 Jönköping Sweden.