# The Influence of Family Background and Motivation on Entrepreneurship Development in Zimbabwe

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#### Abstract

The research sought to determine how family background and motivation influence entrepreneurship development in Zimbabwe. Purposive sampling was used to select 200 family business entrepreneurs. The study confirms that family social class is an important determinant of entrepreneurial decision while having a village childhood background is not a barrier to entrepreneurship entry. Company founders tended to be well-educated. On the other hand, entrepreneurs were found to be motivated by the need for self-realization and economic security, the need for greater business achievement, the need for institutional power, and need for social capital factor. However, we find no tendency for the motivators driving family business formation to change when economic conditions changes. We recommend for an education policy that emphasise more on developing entrepreneurship talent and that government make an attempt to ensure an enabling environment for entrepreneurship development by maintaining the socioeconomic (middle) class. There is also need for a well-crafted family entrepreneurship development program to support family business succession planning for sustainable family entrepreneurship in Zimbabwe.

**Keywords**: entrepreneurship, family background, influence, motivation, succession.

## 1. Introduction

Zimbabwe is still confounded by prohibitive barriers to entrepreneurship development. Family entrepreneurship which can be viewed as a key self-employment strategy with enormous potential to uplift communities economically is still retarded by structural constraints. Given that large industrial capital is diminishing in Zimbabwe and unemployment is rising, a well-crafted family entrepreneurship development programme can play a significant role in stimulating economic growth, propping up the failing state-owned enterprises and empower the disadvantaged segment of the population (Abimbola and Agboola, 2011). In this regard, understanding family background factors that motivate entrepreneurship is an initial step towards developing a sound policy for family business development.

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While in developing countries entrepreneurship is the least studied economic and social phenomenon, it is without exception that Zimbabwe has a huge gap in entrepreneurship literature (Lingelbach et al. 2005). It is not known how the current generation of Zimbabwean entrepreneurs are being influenced by their parents' entrepreneurship or social status and how their decisions are likely to change with shifts in economic environment. Without a better understanding of how the interaction of family background factors and changing economic conditions influence entrepreneurs' motivation structure, government struggles to provide the correct policy interventions.

Zimbabwe is struggling to recover from decades of economic malaise, its effort to mobilise both internal and external entrepreneurial resources for development is yielding disappointing results (Hawkins and Ndlela, 2009). The impact of the 1999 to 2008 economic crisis is still frustrating entrepreneurship development efforts, with the combined effects of the poorly resourced Fast Track Land Reform Programme, economic sanctions, droughts, hyperinflation and macroeconomic policy implementation failures, still retarding the success of existing and new start-ups (Kamoyo, 2011 and Moyo, 2011). In fact, the greatest predicament facing policy-makers are diminishing foreign and private sector entrepreneurship capital, accelerating de-industrialisation with estimated 711 companies having closed shop between 2011 and 2013, and 149 firms having made liquidation applications with the High Court in 2013 (Gumbe and Chaneta, 2014). Additionally, formal employment has been fast shrinking having dropped by 40.3% between 1998 and 2004 from 1.4 million to 998 000 (Raftopoulous, 2009). Capacity utilisation in the manufacturing sector was only 38% in 2013 according to the Confederation of Zimbabwe Industries (CZI) report of 2013.

The disturbing fact is that, this economic quandary is occurring at a time when government is emphasising on the need for entrepreneurship development. This is also despite the liberal economic reforms of the early 1990s under the Economic Structural Adjustment Programme (ESAP) that were supposed to attract foreign direct investment (FDI) and competition to rejuvenate the economy (Hawkins and Ndlela, 2009), expand economic opportunities for growth, prosperity and unlocking job opportunities following the abolishment of state monopolies to ensure competitive market equilibrium (Mlambo, 2000). The liberalisation was expected to promote private sector participation and stimulate small enterprise development through economic empowerment and government subsidy programmes. However, the results were disappointing and dismal (Gumbe and Chaneta, 2014). The economy continued to experience severe loss of productivity, efficiency and competitiveness, with a sharp decline in capital formation, causing unemployment to rise to extremely high levels in excess of 60% of labour force (Hawkins, 2012).

Considering the economic doldrums currently confronting Zimbabwe, inculcating entrepreneurship spirit would be imperative. This requires developing an effective family entrepreneurship strategy that is based on a thorough understanding of behavioural characteristics of family entrepreneurs.

## 1.1 Objectives

This study sought to fill in some of the information gaps about entrepreneurs by:

- a) Determining how family background factors like socio-economic, educational and parental entrepreneurship status helps to shape the current crop of entrepreneurs in Zimbabwe.
- b) Establishing what motivates entrepreneurs to do what they do.
- c) Exploring how the Zimbabwean macroeconomic environment affected entrepreneurs' motivational structure as well as the backgrounds (socioeconomic, educational, and familial) of entrepreneurs.

An understanding of these information gaps will lead to policy recommendations that address entrepreneurship challenges according to the specific entrepreneurial characteristics.

#### 2. Literature review

Families as economic units undertake investment in physical and human capital for members and as cultural institutions promote socialisation of children and human capital formation. The formation can be influenced by parents' occupational skills and experiences, mentalities, family intergenerational interactions, education and behavioural attitudes on socio-economic development (Sato and Li, 2013).

## 2.1 Parental experience and family entrepreneurship

The fundamental proposition is that entrepreneurial parents enhance the process of their children's human capital formation through human capital transfer over generations. Entrepreneurs can then be viewed as 'family products' due to parental influence, with the probability of one owning a business increasing with family background in business ownership (Aldrich and Cliff 2003; Kirkwood, 2009). Parents as role models shape children's perceptions on entrepreneurial career by exposing them to business opportunities with a lasting impact on their career choices (Schindehutte et al, 2003; Scherer et al., 1989., Bandura, 1986; Krumboltz, Michael, and Jones, 1976).

On the other hand, the closure proposition maintains that parents transfer entrepreneurial resources (financial or social), in a way that helps children to overcome entrepreneurship entry barriers. While exposure encourages children to try to enter into entrepreneurship, closure improves the likelihood that they will succeed upon entry into entrepreneurship (Sorenson, 2006). Thus, both the exposure and closure propositions associate the motivation for entering into entrepreneurship with occupational experiences of parents and family position in the social strata like having parent entrepreneurs and sibling entrepreneurs (Dombrovsky and Welter, 2006; Sato and Li, 2013).

Cooper and Drunkelberg (1987) using US data found that entrepreneurs are more likely to come from families with entrepreneurs than non-entrepreneurs, while Ohe, et al. (1991) corroborates this by revealing that 25% of entrepreneurs in Japan had parents who were also entrepreneurs. In Sweden Lindquist et al. (2015)

noted that entrepreneurs' children have a 60% likelihood of becoming entrepreneurs themselves than others, because entrepreneurship background transfers knowledge, skills, self-confidence and positive attitudes towards family business. Thus parents' experiences of self-employment have positive impacts on the likelihood of self-employment of the off-spring generation. However, Finnie and Laporte, (2003) noted that self-employment tends to be more prevalent among men than women with 20% of men compared to 12.5% for women being self-employed.

# 2.2 Education and previous work experience

There is no consensus among researchers on whether entrepreneurial character is a product of educational success or an organisational product. On one side entrepreneurs are viewed as more educated, with knowledge of more foreign languages (Dombrovsky and Welter, 2006). Wadhwa et al (2009) using US company data noted that, company founders tend to be middle-aged, better educated and more entrepreneurial than their parents. Education plays an important role in the development of entrepreneurship by influencing both returns and entrepreneurial ability (Naudé, 2008; Burke, et al, 2002; Barba-Sanchez and Atienza-Sahuquillo, 2012).

On the other hand, Brockhaus, (1982) noted that entrepreneurs lack formal qualifications but succeed upon hiring managers who are more formally educated than entrepreneurs themselves. This supports the popular myth of college drop-out entrepreneurs. Freeman (1986), on the other hand, views most entrepreneurs as former employees of established firms and hence are 'organizational products'. Experience helps them to get knowledge about useful contacts, suppliers and expose them to potential markets (Audia and Rider, 2005; Shepherd et al, 2000), mobilise financial and human resources (Stuart and Sorenson, 2003). Despite the seemingly different perspectives on the classification of entrepreneurs, it is the interaction between education attributes and past working experience that drives entrepreneurship success, while motivational factors are integral in shaping entry decision.

# 2.3 Motivation and entrepreneurship

Theories that disregard the role of motivational factors in the creation of new organizations should be regarded as incomplete (Segal et al, 2005). According to the "pull" theory, individuals are attracted into entrepreneurial activities seeking independence, self-fulfilment, the need to build wealth, own a company, start-up culture, capitalizing on a business idea and achieving other desirable outcomes (Gilad and Levine, 1986; Wadhwa et al, 2009). This can be motivated by inspiration from neighbours, friends or relatives, family members, and role models that are already involved in enterprise management (Dollinger, 1999). Barba-Sanchez and Atienza-Sahuquillo (2012), Brockhaus and Horwitz (1986), Herron and Robinson (1993) concurred that entrepreneurs are motivated by the need for competition, achievement, affiliation, power and a tolerance for ambiguity, a willingness to take risks, preferences for innovation, and proactiveness or persistence. On the other hand, the "push" theory argues that

individuals are pushed into entrepreneurship by negative external forces, such as job dissatisfaction, difficulty finding employment, insufficient salary, or inflexible work schedule (Keeble et al., 1992; Orhan and Scott, 2001).

However, empirical evidence has shown that it is a combination of pull and push factors that drive entrepreneurship ventures. Lau and Chan (1996), McManus, (2001) and Benzing et.al, (2009) have shown that autonomy, achievement, making money, a desire to innovate, actual or threatened redundancy, making use of skills acquired, the desire to exploit market opportunities, frustration with the last job or career, social mobility and a resistance to geographical mobility are important decision factors in becoming an entrepreneur. Kuratko, Hornsby and Naffziger (1997) and Robichaud, McGraw and Roger (2001) using entrepreneurs from North America found that extrinsic rewards, intrinsic rewards, autonomy and family security played an important role on entrepreneurs' business success and motivation. Whereas Benzing, Chu and Szabo (2005) found that job security and income needs were strong motivators than personal needs and self-satisfaction in Romania, entrepreneurs in India were mostly motivated by the desire for autonomy and to increase income (Benzing and Chu 2005). Bewayo (1995) found that Ugandan entrepreneurs are motivated by "making money". However, Chu et al (2007) noted that entrepreneurs in Kenya and Ghana are motivated by the desire to increase income and provide self-employment.

#### 2.4 Socioeconomic status

The effect of social class was addressed by Newman (2007) who noted that the wealthy class is more likely to dominate entrepreneurship, as they assume more risk whereas extremely poor families are naturally excluded from entrepreneurial activities because they are perceived to be risk averse. Banerjee and Duflo (2007) observed that, extremely poor families, living on less than US\$1 per day are psychologically reluctant to venture into income generating projects. Hence, extreme poverty is a significant barrier to entrepreneurship (Wadwa et al, 2009). Sato and Li (2013) noted that the collapse of the socialist regime in China culminated into the disturbance of inter-generational transmission of economic status, with wealth groups before the socialist regime moving to the lower economic status and the poor and lower-middle peasant moving to the top of the pyramid following the land reform that redistributed resources.

Giannetti and Simonov (2004) pointed out that governments can foster an 'entrepreneurial culture' in a society as a way to raise productive entrepreneurship by encouraging role models. However, Licht (2007) has argued that because many entrepreneurs are motivated by non-pecuniary gains, policy efforts to stimulate entrepreneurial entry by reducing the costs of exit may not be effective. Opafunso and Okhankhuele (2014) further confirm this arguing that management's failure to consistently provide motivational packages and the general lack of government support obstructs the development of small and medium scale enterprises.

## 3. Methodology

The research adopted a quantitative approach guided by the positivist philosophical thought. The study contents that reality is measurable (Antwi and

Hamza, 2015) and, purposive sampling was adopted for a sample of 200 SMEs. For Zimbabwe's SME sector, not much is known about what motivates entrepreneurs to do what they do, how family background factors like socioeconomic, educational and parental entrepreneurship status help to shape the current crop of entrepreneurs and how the Zimbabwean macroeconomic environment affected entrepreneurs' motivational structure. Hence, a 17-item structured questionnaire was used to explore educational, social status, family entrepreneurial background and motivational factors that influence entrepreneurial decisions. The respondents comprised of company founders and non-founders who were asked about their backgrounds and experiences in launching companies. The questionnaires also required the owners to rank how motivators like, wanted to capitalise on a business idea, wanted to build wealth, had sufficient capital, always wanted to form own company, inability to find a formal job, the need for independent work, co-founder encouraged me and entrepreneurial role model encouraged me, influenced then to be entrepreneurs.

In order to capture any change in motivation due to economic transition, the enterprises were classified into those that were established during the pre-crisis period, crisis period and post-crisis period. All businesses whose lifespan extended to more than 15 years were classified as having been formed before 1999 the pre-crisis period, the crisis period constituted those businesses whose lifespan was between 6 and 15 years (and were formed between 2000 and 2008) and those that were less than 6 years are formed during the post-crisis period after 2008. This allowed the researchers to analyse behavioural effects of family characteristics like parental social status, entrepreneur's childhood background and intergenerational business succession attributes during economic transition.

## 3.1 Results

The study sought to establish how family background and motivation influence entrepreneurship development in Zimbabwe. Descriptive statistics and one-way analysis of variance were used to analyse the data.

# 3.1.1 Demography, education and work experience

Table 1 shows the demographic characteristics of entrepreneurs.

**Table 1: Demographic Characteristics of entrepreneurs** 

Start-up	Gender	Marital s	status	Age of business owner				
status								
	ΝF	M	S	18-25	26-35	36-45	Above 45	
Yes	6 34	66	30	16	55	16	9	
	2							
No	3 66	81	23	42	54	7	1	
	8							
N	1 100	147	53	58	109	23	10	
	0							
	0							

Highest Educational qualification of business owner								
Start-up	O'	VCT	Diploma	Degree	Professional	Total		
status	lev							
	el							
Yes	27	3	13	51	2	96		
No	19	8	35	25	16	104		
N	46	11	48	77	18	200		
Dononts?	oduo	ational ab	avantoristies	•	•	•		

D 4 9	1 4. 1	1 4 • 4•
Parents' 6	educational	characteristics

Start-up status	Fathe	Father				Moth	Mother			
	NF	PE	SE	VCT	TE	NF	PE	SE	VCT	TE
Yes	8	14	22	37	15	3	28	25	34	6
No	0	26	35	12	31	1	34	48	7	14
N	8	40	57	49	46	4	62	73	41	20

Working exper	ience prior	to starti	ing business
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Start-up status	1-2 yrs	3-5 yrs	> 5 yrs	never worked	Total
Yes	17	22	55	2	96
No	37	30	36	1	104
N	54	52	91	3	200

## 3.1.1.1 Demography

Gender, marital status and age characteristics of entrepreneurs were considered and are summarized on Table 1 above. Start-up entrepreneurs are defined by YES and those defined by NO inherited their businesses either from parents or brothers and sisters. Only 48% of the respondents indicated that their businesses are start-up, while 52% indicated that they inherited from their parents or siblings. Given that 52% of the surveyed entrepreneurs inherited businesses, inter-generational succession of businesses is still very important aspect of family entrepreneurship development. Table 2, under family members who started business, indicates that parents to child business transmission with 72 (69%) respondents is the dominant form of family business transfer and siblings to siblings has 31% of the respondents. More importantly the middle class has the highest rate of intergenerational business transfers with 66% of the entrepreneurs. Overally the study showed that the level of family business succession is higher than new ventures created by 1.08 times.

While 23(11.5%) of the respondents were between 36-45 years of age, 10(5%) were over 45 years, the majority of business owners 109(54.5%) were within the age bracket of 26–35 years which is the most socio-economically active age category. It is also at this age category that most start-up entrepreneurs are concentrated consisting of 57.3% in this study, of them and 51.9% of those who inherited businesses also falling into this category. It is also clear that 147 (73.5%) of business owners were married leaving 53(26.5%) as single. However, the

number of married start-up entrepreneurs is lower relative to those who had pioneers in the family while the number of single pioneer entrepreneurs is more than the number of entrepreneurs with pioneers in the family. This reflect the role parents with business background play in making it is easier for their children to understand the challenges in business (Ismail, Zain and Ahmed, 2006).

#### **3.1.1.2 Education**

Most business founders are well-educated with more than 71% having attained tertiary qualifications, of which 38.5% are holders of bachelor's degrees, while 24% have diplomas, 9% professional qualifications and 5.5% have vocational training. However, only 23% have had completed high school at the time of founding their business. The study also noted that current entrepreneurs are also more educated than their parents with an average of 23% and 10% of entrepreneurs' fathers and mothers having tertiary education respectively against 71% for current entrepreneurs. Thus education is one of the key components of entrepreneurship development in Zimbabwe. This result and conclusion is consistent with Wadwa et al, (2009) and Naudé (2008), Burke, et al (2002), Barba-Sanchez and Atienza-Sahuquillo (2012) who posit that education plays an important role in the development of entrepreneurship by influencing both returns and entrepreneurial ability respectively.

# 3.1.1.3 Work experience

In the study, there was a general observation that most entrepreneurs had significant industrial experience prior to starting their companies. About 98.5% of respondents indicated that they had had at least one year working experience in industry, with 71.5% having worked for more than three years and a meagre 1.5% having confessed that they do not have working experience from other companies. However, 80% of the pioneer entrepreneurs pointed out that they had had more than 3 years of work experience prior to establishing their own business. From the foregoing statistical data, it shows that most of Zimbabwe's entrepreneurs come from existing workforce and not from college, implying that Zimbabwe's entrepreneurs are organisational products. The result support findings by Bhaduri and Worch (2008) and Luber, et. al (2000) who observed experience increases potential entrepreneurs' chances of success, if they pursue a new business related to earlier business experiences.

## 3.2 Social status and business formation by transitional periods

The highest proportion of entrepreneurs came from the middle class, with 66.3% of them having inherited the business and 80.2% of them having had start-up ventures falling in this category. This is followed by lower class with 28.8% of those who inherited businesses and 19.8% of start-up entrepreneurs and only 4.8% of those who inherited businesses claimed to be from the upper class.

**Table 2: Social Status** 

		Social status			
Started	Childhood	upper class	middle class	lower class	n
business	background				

No	City	3.8%	26.9%	1.0%	33
	Town	1.0%	33.7%	16.3%	53
	Village	.0%	5.8%	11.5%	18
	Total	4.8%	66.3%	28.8%	104
Yes	City		31.3%	.0%	30
	Town		12.5%	6.3%	18
	Village		36.5%	13.5%	48
	Total		80.2%	19.8%	96
Family n	nember who started	business			
	Family member	upper class	middle class	lower class	n
No	Parents	2.9%	46.2%	20.2%	72
	brothers/sister	1.9%	20.2%	8.7%	32
	Total	4.8%	66.3%	28.8%	104

Source: Survey Data

This highlights that family entrepreneurial businesses are most important to income and livelihood opportunities for the middle and lower income earners.

Table 3: Family business formation by transitional periods

Fami	ly membe	rs who started a bu	siness before y	ou	
	you start isiness?	Post Crisis period	Crisis period	Pre-crisis period	n
No	Parents	2.9	34.6	31.7	72
	brother s/sister	.0	18.3	12.5	32
	Total	2.9	52.9	44.2	104
Yes	Self- started	2.1	49.0	49.0	96
Parer	ital social	class			
	you start isiness	Post Crisis period	Crisis period	Pre-crisis period	n
No	upper class	.0%	1.0%	3.8%	5
	middle class	1.9%	38.5%	26.0%	69
	lower class	1.0%	13.5%	14.4%	30
	Total%	2.9%	52.9%	44.2%	104
Yes	middle class	.0%	41.7%	38.5%	77
	lower class	2.1%	7.3%	10.4%	19
	Total%	2.0%	49.0%	49.0%	96
Child	hood bacl	kground	•		•

Did	you start		Crisis		n	
the bu	isiness	Post Crisis period	period	Pre-crisis period	n	
No	City	1.9%	16.3%	13.5%	33	
	Town	1.0%	25.0%	25.0%	53	
	Village	.0%	11.5%	5.8%	18	
	Total	2.9%	52.9%	44.2%	104	
Yes	City	.0%	15.6%	15.6%	30	
	Town	1.0%	13.5%	4.2%	18	
	Village	1.0%	19.9%	29.2%	48	
	Total	2.0%	49.0%	49.0%	96	

Table 3 indicates that 44.2% of the businesses were transferred from one generation to another and 49% of the start-ups were established during the precrisis period before 1999. About 52.9% of inherited business and another 49% of start-ups were formed during the crisis period between 2000 and 2008, only very 2.9% of the inherited and 2.1 % of start-ups were formed in the post-crisis period. This distribution of business formation reflects that economic transition act as an important stimulus to venture creation since the proportion of businesses formed during this period is 1.2 times more than those that were formed during the precrisis period and 18 times more than those that were formed in the post crisis period.

Furthermore, findings from this study show that family social class plays an important role in determining the distribution of business ownership and start-up rates. The middle class was shown to constitute the biggest proportion of business founders with 38.5% of the inherited businesses formed during the crisis period, 26% during the pre-crisis and 1.9% during the post-crisis periods. It also emerged that for start-ups 41.7% were formed during the crisis and 38.5% during the pre-crisis period. However, the fact that 44.2% of inherited businesses and 49% of start-ups were able to survive the crisis period is an indicator of good survival rate inherent with the family owned business. The view that family businesses can survive economic turbulence is consistent with Braun and Latham's (2009) findings that family firms tend to be able to survive poor economic (economic downturn or recession) conditions than nonfamily businesses in their United States study.

It also came to the fore that 52.9% of the businesses were inherited companies formed during the crisis period, with 25% having been formed by family members who have a town childhood background, and16.3% with a city childhood background. However, the highest proportion of start-up companies formed during the crisis and pre-crisis periods had 19.9% and 29.2% of the founders having a village background respectively. Village background at 29.2% is more than half of the total 49% of started-up entrepreneurs during the pre-crisis era. This implies that village childhood background although traditionally associated with poverty and usually humbleness, is also a key factor for successful entrepreneurship and is not itself a barrier to entrepreneurship entry.

## 3.3 Motivation factors

Table 4 presents a summary of the motivational factors by family background with respect to parental social status. Each of the categories were motivated by the desire by entrepreneurs to capitalise on a business idea, the need to build wealth and to form own company with the mean responses that are all below 3. Only entrepreneurs with parents of upper class background started business because they had sufficient capital at their disposal with a mean response of 2.20, the lower and middle class were neutral with mean responses of 3.22 and 3.64 respectively. It emerged that start-up culture is only a motivator for lower classes herein represented by a mean response of 2.63 with the other categories being neutral.

**Table 4: Motivational factors mean responses** 

Parental Social	Lower		Middle	n=146	Upper	n=5
class					T	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Wanted to build wealth	1.92	.838	1.89	.983	2.20	1.095
Had sufficient capital	3.22	1.246	3.64	.938	2.20	1.095
Capitalize on a business idea	2.08	.702	1.71	.813	2.20	1.304
Start-up company culture	2.63	.883	3.05	1.131	3.80	1.095
Form own company	2.88	1.130	2.10	1.075	2.80	.837
Independent work	3.27	1.169	2.86	1.232	2.20	1.789
Inability to find employment	3.49	1.609	4.08	1.090	4.00	.000
Co-founder encouraged me	3.57	1.190	3.61	1.267	3.80	1.095
Entrepreneurial friend	3.29	1.443	3.02	1.372	2.80	1.095
Childhood	City n	=63	Village	n=66	Town n	= <b>7</b> 1
background						
Wanted to build wealth	1.83	.752	2.20	1.243	1.70	.705
Had sufficient capital	3.48	.859	3.79	1.074	3.27	1.146
Capitalize on a business idea	1.67	.967	1.71	.548	2.04	.836
Start-up culture appealed to me	2.79	1.080	3.05	1.208	3.06	.984
Form own company	2.25	.967	1.92	1.168	2.72	1.111
independent	2.78	1.211	2.82	1.369	3.20	1.116

work						
Inability to find	4.13	.635	3.85	1.384	3.83	1.493
employment						
Co-founder	3.54	1.216	3.26	1.351	3.99	1.049
encouraged me	2.10	1.051	200	1 400	2.25	1.07
Entrepreneurial	3.10	1.364	2.86	1.498	3.27	1.276
friend						
encouraged me Transitional	Pre-cr	icic	Crisis n	-102	Post-C	Crisis n=5
periods	n=93	1515	CHISIS	1-102	1 USI-C	71515 11-5
Wanted to build	1.92	.935	1.90	.980	1.60	.548
wealth						
Had sufficient	3.53	1.069	3.53	1.031	2.60	1.140
capital						
To capitalise on	1.88	.806	1.76	.823	1.60	.894
a business idea	• • • •	1 1 10	2.05	4.055	2 00	1.007
Start-up culture	2.98	1.142	2.97	1.057	2.80	1.095
inspired me Form own	2.34	1.175	2.26	1.107	2.60	.894
company	2.34	1.173	2.20	1.107	2.00	.034
appealed to me						
Independent	2.95	1.263	2.92	1.216	3.20	1.643
work appealed to						
me						
Inability to find	3.91	1.265	3.98	1.243	3.20	.837
formal						
employment				4 4 0 4		
Co-founder	3.47	1.265	3.75	1.191	3.20	1.643
encouraged me	3.01	1.371	3.19	1.391	2.20	1 204
Entrepreneurial friend	3.01	1.5/1	3.19	1.391	2.20	1.304
encouraged me						
c c c		. 1 0	. 1	1 2	4	2 17 1

Source: Survey Data; Note 1= Strongly Agree, 2= Agree, 3= Neutral, 4=Disagree, 5= Strongly Disagree

It came up from the study that the key motivators of an entrepreneur's childhood background indicated that the need to build wealth, capitalise on a business idea and the need to form own company were cited by all entrepreneurs from the 3 childhood social structure comprising background city, village and town with mean responses less than 3. Entrepreneurs from the three childhood background were all neutral on having sufficient capital and co-founder encouraged me, with mean responses that are between 3 and 4. Start-up culture was only cited by entrepreneurs with city background with a mean response of 2.79, while those with village and town background were neutral. Entrepreneurs with city background disagreed with the assertion that failure to find formal employment forced them to venture into family businesses and this was presented with a mean response of 4.13, while those with village and town background were neutral on

this aspect. Only those with village background agreed that encouragement from entrepreneurial friends was a source of motivation while entrepreneurs with city and town background remained neutral.

The results also confirm that the desire to build wealth, need to capitalise on a business idea, start-up culture and the need to form own company were key motivators that drove entrepreneurship during the pre-crisis, crisis and post-crisis periods with responses below 3. While the need for independent work was only a motivator to entrepreneurs who formed their companies during the pre-crisis and crisis periods, while those who formed in the post crisis were neutral. Having sufficient capital and entrepreneurial friend encouragement were only cited as a motivator by entrepreneurs who formed their business during the post-crisis period, while those for the crisis and pre-crisis periods were neutral. However, all entrepreneurs were neutral on the co-founder and entrepreneurial friend encouragement as motivators to start the businesses during the pre-crisis, crisis and post-crisis periods.

# 3.3.1 Impact of Economic transition on motivational factors (Variance analysis)

The next step was to use the one-way analysis of variance (ANOVA) to statistically test for the equality of mean responses. The approach first tested whether the data satisfies the homogeneity of variance assumption and the results are present on Table 5. There is violation of homogeneity assumption on 6 factors under family social class, with variables like wanted to build wealth, had sufficient capital, wanted to capitalise on a business idea, always wanted to form own company, the need for independent work and entrepreneurial friend encouraged me failing to satisfy the assumption.

<b>Table 5:</b> 1	Levene	Test of	homogeneity	of	i variance

	Social class			Transiti	onal		Childhood		
				periods			background		
	Statist	df1	df2	Statist	df1	df2	Statistic	df1	df2
	ic			ic					
Wanted	6.887	2	197	0.239	2	197	0.476	2	197
to build	***								
wealth									
Had	5.651	2	197	0.019	2	197	7.64***	2	197
sufficient	***								
capital									
Capitaliz	4.809	2	197	0.64	2	197	4.924**	2	197
e on a	***						*		
business									
idea									
Start-up	1.533	2	197	1.509	2	197	1.872	2	197

company culture									
Form own company	3.948	2	197	1.053	2	197	1.282	2	197
Independ ent work	5.159 ***	2	197	0.619	2	197	2.642	2	197
Inability to find employm ent	16.66	2	197	0.206	2	197	19.297	2	197
Co- founder encourag ed me	12.13	2	197	1.685	2	197	0.89	2	197
Entrepre neurial friend	3.697	2	197	0.536	2	197	1.35	2	197

Similarly, two factors which are whether the respondent had sufficient capital and wanted to capitalise on a business idea, failed to satisfy the assumption under entrepreneur's childhood background. In all other cases the homogeneity assumption was met. Where the homogeneity assumption was satisfied the one-way ANOVA and the Tukey HSD comparison were used to test on the equality of mean responses for each of the given factors. While the Welch robust equality of means and the Games-Howell comparison were used where unequal variance was assumed.

Based on Table 6 overleaf, the researchers found no evidence to suggest that the motivational factors vary significantly, over the economic transitional period. There was also no evidence of tendency for the motivators driving family business formation to change when economic conditions changes. The reason wanted to build wealth, had sufficient capital, need to capitalise on a business idea, start-up culture, want to form own business, need for independent work, inability to find formal employment, co-founder encouraged me and entrepreneurial friend encouraged me they are all seem to influence family entrepreneurship equally regardless of the changing macroeconomic environment.

However, the study found that there was evidence to suggest that motivators such as sufficient capital, the need to capitalise on a business idea, start-up culture, the desire to form own business and inability to find formal employment significantly varies according to entrepreneur childhood background.

Table 6 shows that on the desire to build wealth there was an observed variation between entrepreneurs with a village and those with a town background. For those

who expressed the desire to want to form own company, those with town background differed significantly from

Table 6: Results for ANOVA and the robust test equality of means

One Way ANOVA									
	<del></del>	Trans Period	itional ds	Childhood background		Social clas		class	
		F	Sig.	F	Sig	Ţ <b>.</b>	F	Sig.	
Wanted to build	d wealth	.277	.758	0.262	0.7	7	5.14	0.007	
Had sufficient	capital	1.900	.152	7.232	0.0	01	4.324	0.015	
Wanted to capi	talize on a	.678	.509	4.492	0.0	12	4.482	0.012	
business idea									
Start-up compa		.063	.939	4.355	0.0	14	1.201	0.303	
appealed to me									
Have always		.286	.752	9.894	0.0	00			
form my own c		101	006	2055	0.0	~ 1	2.400	0.002	
Independent we		.121	.886	2.955	0.0		2.408	0.093	
Inability to		.949	.389	4.188	0.0	17	1.154	0.317	
traditional emp		1 451	227	0.09	0.0	22	6256	0.002	
Co-founder encouraged		1.451	.237	0.08	0.9	23	6.356	0.002	
	Me An antrapropagaid friend		.240	0.778	0.4	61	1.471	0.232	
An entrepreneurial friend was a role model		1.436	.240	0.776	0.4	O1	1.7/1	0.232	
df1, df2		2, 197	7	2, 197	1		2; 197		
Robust test of	equality of			, ,			,		
	al class		Childh	ood l	back	ground			
	Statistic				Statistic df1		df2		
	3.973**	2	124.477	0.192		2	10.604	1	
build wealth	0.005:5:5	2	100 510	F.030:	.1.		10.45		
	3.825**	2	130.649	5.828*	*	2	10.465		
sufficient capital									
	4.39**	2	122.761	4.581** 2 10.411		1			
on a	T.37	_	122.701	4.301   2   10.411		L			
business									
idea									
-	8.458	2	130.764	9.195*	**	* 2 10.987		7	
own									
company									
Independent	2.655	2	128.849	2.483		2	10.42	1	
-									

those with village and city background, on co-founder encouraged me those with town background differs from those with village background. Those with town and village background expressed differences on the possession of sufficient capital as a motivator of business. While on wanted to capitalise on business idea those with town background differs from those with city and village background.

Table 7 also shows that motivators like wanted to build wealth, had sufficient capital, need to capitalise on a business idea, want to form own business and cofounder encouraged me varies significantly according to family social class. Table 7 indicates that major difference are between entrepreneurs from the middle class and those from lower class who varies on each of the very motivators, from start-up culture, inability to find formal employment, need to capitalise on a business idea, want to form own business and co-founder encouraged me

**Table 7: Comparisons Table** 

Tukey HSD Mult	Tukey HSD Multiple Comparisons for family social class background								
Dependent	(I)	(J)	Mean	Std.	Sig.				
Variable			Difference (	(I-J) Erro	or				
Start-up	upper	middle	.745	.489	.282				
company culture	class	class							
appealed		lower	1.167	.505	.056				
		class							
	middle	lower	.422*	.178	.048				
	class	class							
Inability to find	upper	lower	.510	.576	.650				
traditional	class	class							
employment	middle	upper	.075	.558	.990				
	class	class							
		lower	.586**	.203	.012				
		class							
Games-Howell for	r family so	cial class ba	ckground						
Had sufficient	upper	middle	.488	.587	7 .706				
capital	class	class							
		lower	.118	.592	2   .978				
		class							
	lower	middle	.369*	.121	.008				
	class	class							
Wanted to	upper	middle	.745	.499	.379				
capitalize on a	class	class							
business idea I		lower	1.167	.506	5 .153				
had		class							
	middle	lower	.422*	.157	.023				
	class	class							
Have always	lower	upper	.078	.407	.980				
wanted to form	class	class							
my own		middle	.775*	.184	.000				
company		class							
· ·	lultiple (	Comparisons	for entre	preneur o	childhood				
background	<b>.</b>	1			_				
Wanted to build	village	city	.372	.164	.063				

wealth		town	.493*	.159	.006		
Wanted to form	town	city	.464*	.188	.038		
my own		village	.794*	.186	.000		
company							
Co-founder	town	city	.446	.209	.085		
encouraged me		village	.728*	.206	.002		
Games-Howell for entrepreneur childhood background							
Had sufficient	village	city	.312	.171	.166		
capital		town	.520*	.190	.019		
Wanted to	town	city	.376*	.157	.048		
capitalize on a business idea I		village	.330*	.120	.019		
had							

## 4. Discussion of results

The view that motivators vary according to entrepreneur childhood background is also consistent with Banerjee and Duflo (2007) and Wadwa et al, (2009) who observed that poor families, living on less than US\$1 per day are psychologically reluctant to venture into income generating projects. With regards to motivational factors across transition periods, the results of this study were consistent with Wadwa et al, (2009) who view the desire to build wealth, need to capitalise on a business idea, start-up culture and the need to form own company as critical motivators that drive entrepreneurship.

## 5. Recommendations

The fact that most entrepreneurs come from the middle class gives birth to the recommendation that government should make an attempt to ensure an enabling environment for entrepreneurship development by maintaining the socioeconomic class. Relaxation of strict loan requirements for entrepreneurs as well as government guaranteeing loan may be well received as most of the entrepreneurs start their business at a younger age.

There is also need for policies that encourage new venture creation are needed, supporting family business succession planning is also very critical for sustainable family entrepreneurship in Zimbabwe. This can be achieved through training for family owned business entrepreneurs.

## 6. Conclusion

The research sought to determine how family background and motivation influence entrepreneurship development in Zimbabwe. Purposive sampling was used to select 200 family business entrepreneurs. The study confirms that family background shapes the motivation driving entrepreneurs. It was noted that family member attributes like educational background, family social class, entrepreneur's childhood background are important factors that help to shape entrepreneurs' motivational structure. Company founders tended to be well-educated, motivated

by the need for self -realization and economic security, the need for greater business achievement, the need for institutional power, and need for social capital factor. However, changes in economic environment did not significantly alter family entrepreneurship motivational structure while family entrepreneurs seem to be driven by similar motivations under different economic environments, that is during the pre-crisis, crisis and post crisis period. We recommend for an education policy that emphasise more on developing entrepreneurship talent and a well-crafted family entrepreneurship development program to support family business succession planning for sustainable family entrepreneurship in Zimbabwe.

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