

Starting an entrepreneurial career: Young entrepreneurs' profiles.

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Abstract

Objective. *The first aim of this paper is to identify the important features of five entrepreneurial career categories: reasons for pursuing entrepreneurship, preparing for entrepreneurship, launch of entrepreneurship, risks and family background. The second aim of the paper is to describe the profiles of young entrepreneurs using the five entrepreneurial career categories.*

Method. *An 80-minute focus group session with 7 young entrepreneurs aged 26 to 30 years led by 2 moderators. The discussion focused on launching the business and its subsequent development. The discussion was audio recorded and transcribed. The transcripts were processed using Atlas.ti software.*

Results. *The qualitative content analysis of the transcriptions revealed the building blocks of the five entrepreneurial career categories. Seven entrepreneur profiles were created. The findings show various elements and factors affect decisions about entrepreneurial careers.*

Conclusions. *The paper contributes to knowledge relating to the content of the five categories, and specifically to beginning an entrepreneurial career. The individual profiles of the young entrepreneurs reveal the diversity, peculiarities and similarities of the beginnings of an entrepreneurial career. The aim behind the young entrepreneur profiles is to provide effective stimuli for university students attending career planning courses.*

Limitations. *The findings presented here are based on a single focus group discussion, and so cannot be generalized. The size and composition of the focus group (age, gender and region) could be considered a limitation, or conversely as a strength.*

Keywords. Young entrepreneurs; career beginnings; individual career profiles; focus group.

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Introduction

In our paper, consistent with many authors, we study and describe the career path using a developmental-contextual approach: this approach involves investigating a certain developmental period (young adulthood) and graduation and how these interact with many different factors and impacts (socio-demographic, personal, interpersonal, external etc.) (Akosah-Twumasi et al., 2018; Schoon & Duckworth, 2012; Aldrich & Kim, 2007).

The results of a British study indicate that young people are influenced by personal experiences from their youth when making future career decisions, such as experience of a family business (Schoon & Duckworth, 2012). In Slovakia this factor is much less common since the parents of today's young entrepreneurs are more likely to have been employees than entrepreneurs.

There are various reasons for embarking upon an entrepreneurial career. The entrepreneurs in a study by Carter et al. (2003) gave six reasons for setting up their own business: innovation, independence, financial success, a task/role model, self-fulfilment and recognition. Pilková et al. (2017) listed other factors shaping decision-making about entrepreneurial pathways: demographic characteristics, individual characteristics (perceived business opportunities and fear of failure), resources (human, social and financial capital) and environmental factors. In our study, we were interested not just in the reasons for embarking on entrepreneurship, but also in the beginnings and subsequent progress of the business, the associated risks and family background. The focus groups were crucial to obtaining a picture of the young entrepreneurs' experiences of launching a business. We were specifically interested in young entrepreneurs in eastern Slovakia, where the labour market and conditions for starting a business differ from in western Slovakia (Report on the Business Environment in the Slovak Republic, 2018). In the east, entrepreneurship represents an alternative to self-employment as there is a shortage of high-qualified jobs. The aim of the paper is twofold:

1. To identify the typical features of the beginnings of the entrepreneurial path
2. To outline the career profiles of young entrepreneurs

Method

The sample consisted of seven young entrepreneurs (men aged 26 to 30) engaged in different types of businesses. Two had completed secondary school education and five had a master's degree. The entrepreneurs were contacted personally or online, and selected in accordance with their availability and willingness to participate in the research. They participated in an 80-minute focus group led by two moderators. The focus group centred around the topic of entrepreneurship. It began with the participants being informed about the aims of the research, and the duration and discussion themes to be covered in the focus group. They were also told about opportunities to learn more about the research results and our findings. In order to achieve the first aim, we conducted a literature study to identify the five categories of factors that play a role at the beginning of an entrepreneurial career: reason for embarking on entrepreneurship, preparing for entrepreneurship, entrepreneurial beginnings, risks and family background. Firstly, we were interested in why they had decided to start their

own business. We investigated this by asking an introductory question: “Why (did you) decide to pursue an entrepreneurial career?” The remaining questions were based on the factors presented by Pilková et al. (2017) (Table 1).

Table 1. *Process of formulating the questions relating to the pre-defined factors and categories*

Factors playing a role at beginning of entrepreneurship	Category	Question
Individual characteristics (perceived entrepreneurial opportunities and fear of failure)	Preparing for entrepreneurship	How did you come up with the business idea/opportunity?
	Risks	Do entrepreneurs take risks?
Resources (social, financial capital)	Entrepreneurial beginnings	How did you get from idea to activity?
Environmental factors	Family background	Family and entrepreneurship? Family support? Parents' attitudes?

Having obtained the participants’ consent, the focus group discussion was recorded, transcribed and processed using Atlas.ti software. To improve the objectivity of the results, the text material was subjected to two independent analyses. The theoretical approach used in the qualitative analysis was analytical deduction. The categories were derived from the theoretical background (Plichtová, 1996). We began with five pre-defined and theory-driven categories (reasons for entrepreneurship, preparing for entrepreneurship, entrepreneurial beginnings, risks and family environment) that come up repeatedly in the literature describing entrepreneurial beginnings. We then examined the two independent analyses in order to identify the most relevant content pertaining to the categories. The content was then categorized to reflect agreement between the analyses of the two assessors (authors).

Results

To achieve the first aim of the study, we defined five theory–driven categories based on the literature study. Those categories are: the reason for entrepreneurship, preparation for the business, start of the career, risks and the family background. The findings indicated that the categories were filled/saturated with the mutual interaction of many factors and impacts. The content of the individual categories is presented in Table 2, including selected quotes.

The second aim of the study was to outline the career profiles of the young entrepreneurs. Seven profiles of young entrepreneurs are presented below. They cover the five categories (reasons for entrepreneurship, preparing for entrepreneurship, career launch, risks and family background). The names of the profiles reflect specific features of the young entrepreneurs.

Table 2. Features of the beginnings of young people’s entrepreneurial pathways in five predefined categories

Category 1: Reasons for embarking on entrepreneurship	
Building the foundations	<i>“Get ready for bigger things.”</i>
	<i>“Create space for better things that I will enjoy.”</i>
Opportunity to stay in Slovakia	<i>“My own business was a way I could stay in Slovakia.”</i>
Parents had their own business	<i>“I have never seen anything else at home.”</i>
Not being an employee	<i>“I didn’t want to be an employee.”</i> <i>“...anything but sitting in an office”</i>
Self-development/Self realization	<i>“...to progress, to develop in some way, for me and the company.”</i>
To create values	<i>“I want to hand over values to people.”</i>
Pleasure	<i>“I enjoy it!”</i>
	<i>“I can see no limits.”</i>
No restrictions	<i>“There are no limits, that’s why I have my own business.”</i>
	<i>“It was the only way I could devote my time to the sports club I’m in charge of.”</i>
The need for autonomy and flexibility	<i>“I wanted to be in control of my time.”</i>
Seizing the opportunity	<i>“There was an opportunity and I wanted to seize it. That’s it. I didn’t have any other reasons.”</i>
Solving situations	<i>“...the person is looking for something they can’t find, that’s why they go into business.”</i>
Finance	<i>“I needed to pay my bills.”</i>
Category 2: Preparing for entrepreneurship	
In the family	<i>“I have the know-how from my father...”</i>
Looking for the opportunity	<i>“...what’s the gap in this particular field in Slovakia ...”</i>
Inspiring stories	<i>“...in my case, reading a book, a business story of a similar person or a similar company or the field I’m working in worked very well. There’s much more.”</i>
Studying the theory	<i>“There are courses on the theory. I did course XXX. They teach you all the different aspects in a general sense. You can learn it.”</i>
With a coach	<i>“I found a coach who’s had his own business all his life. He taught me the drive and the skills and I started gaining lots of abilities.”</i>
Getting the contacts	<i>“...most of the contacts I have, are from my family.”; “..I met new people...”</i>

During my studies	<i>"...I studied machinery and 3D design and I discovered it could be used in the family production."</i>
Getting to know oneself	<i>"...first I told myself what I could do, what I was good at or even better at than other people..."</i>
Keeping your eyes open	<i>"I got the idea abroad, as I travelled a lot and saw new cultures, met new people, I observed my surroundings so I had what's known as an open mind-set."</i>
Getting the starting capital	<i>"It's a reasonable amount of money which I'll be able to pay back doing an ordinary job."</i>

Category 3: Starting the business

Take action	<i>"To target the first customers and tell them what I can do."</i>
I do what I like	<i>"... I want to do this."</i>
Listening to (the customers)	<i>"You have to listen to the customers, to the other side. Because this is something not everybody is willing to do."</i>
Being aware of the environment	<i>"To see the market, to see the market situation, to see more than the others."</i>
Perspective	<i>"...this is not the only thing."</i>
With someone	<i>"...with my brother.."; "...with a good friend"; "...with my parents/father..."</i>

Category 4: Risks

Financial loss	<i>"It's common. I mean the financial risks, especially with the initial investment."</i>
Loss of motivation	<i>"I'm lacking the motivation to try it again and again and again ..."</i>
Always present	<i>"...the risks are daily."</i>
Innovative	<i>"When someone stops coming up with new ideas and has been doing one thing for a long time, in a few years' time they may not be in business anymore."</i>
Unpredictable situations	<i>"Someone may decide to ruin you."</i>
Minimizing the risks	<i>"A businessman tries to manage the risks, to make them smaller, have a smaller impact."</i>
Other losses	<i>"You could lose the client."</i>

Category 5: Parents – Family background

Business experience	<i>"My parents have their own business"; "I've seen it since I was a child."</i>
No business experience	<i>"No one in our family has business experience."</i>
Supporting	<i>"Every parent wants to support their child."</i>
Ironic	<i>"... so I was told: I knew you wouldn't work it out."</i>

Initial scepticism	<i>“My mum asked me: When are you going to get a normal job?”</i>
Discouraging, careful, protective	<i>“I was discouraged from going into it full on...”; “At first, my parents didn’t want either me or my brother to set up a business.”</i>
Different generation	<i>“Our parents grew up in an era when having your own business was forbidden.”</i>
Good upbringing/responsibility	<i>“To me, this is the basic principle of having your own business. I’m very responsible when it comes to paying invoices. I see the person, the other entrepreneur on the other side who needs money to pay for his business, too.”</i>

PROFILE 1 (ADAPTIVE CREATOR) (aged 28, university degree, jewellery making)

This young entrepreneur’s reasons for going into business were quite clear from childhood as his family ran their own business. Life and business were just obviously connected *“I’d never seen anything else at home. I took it as being quite natural.”* He wanted to bring something of his own into the family business so he introduced the technological knowledge he had gained at university into the business. He is continuing the family business using innovative methods that link his studies with the business opportunity. He started his career using his creative approach *“Business ideas are everywhere”*. He feels confident and established and so is not worried about the risks *“You get over them more easily when you start a business at a young age”*. When discussing the family business he said he would prefer a non-family business *“If I could choose, I would never go into business with my parents or with other family members”*.

PROFILE 2 (DISSATISFIED DAREDEVIL) (aged 30, university degree, food imports)

This entrepreneur did not come from an entrepreneurial background. He decided to go into business having experienced working for companies. His reasons were clear. He disliked being employed in companies and wanted to achieve something for himself. *“I was dissatisfied with my career and was looking for opportunities to change”*. He identified these when travelling abroad. The idea came to him and he started making preparations to go into business. He and a friend had a plan so they did some market research, identified a gap in the market and seized the opportunity.

When he and his friend began their entrepreneurial career, they had no experience, *“we made a rough calculation”* never to be entirely happy with anything on principle.

“We said to ourselves, let’s go for it! We had a specific goal we wanted to achieve and we set out the timeframe within which we wanted to achieve it.” He had no idea what the potential risks might be: *“it was difficult to estimate. You sometimes do things without thinking and take the bull by the horns but that’s what you have to do when running a business.”* As there were no entrepreneurial roots in his family, DD’s parents were sceptical but he thought that was a good thing *“... we always listen to our parents, as they look at it all from another*

perspective.”

PROFILE 3 (UNLIMITED OPTIMIZER) (aged 28, secondary education, runs a clothing shop)

The reason this entrepreneur went into business was that he couldn't make decisions in the jobs he did. He tried a number of jobs but was unhappy and terribly bored, *“I could only do what I was told, it was holding me back and I couldn't make any progress”*. He decided to run his own business because *“...there are no limits”*. When preparing to go into business he was guided by two things: 1) his own strengths (what I'm good at) and 2) what was lacking in Slovakia. Despite launching a successful career, he sees it as temporary solution *“... to me, it's not what I want to do forever.”* He is a risk optimizer, *“I didn't invest much money into the business”*. He is cautious about risks: *“There are always risks, you never know what might happen...”*. Nobody in his family had run a business so his family held negative views about his entrepreneurial decisions, *“...they held me back, told me not to go the whole way, as it would end in bankruptcy for sure and I would be left with nothing...”*, they had no confidence in the idea, *“If I had done it as I wanted, it would be 30–40% better now.”*

PROFILE 4 (PERSUASIVE VALUE CREATOR) (aged 30, university degree, training and education)

This young man opted for an entrepreneurial career because he lacked flexibility in his former job. He did not want to be limited by rigid working hours: *“I didn't like the eight to four routine.”* When preparing to launch his own business, he looked for a gap in the market that would enable him to make full use of his potential and experience *“the things that worked for me, I started to sell on”*. He went from idea to activity. *“I targeted my first customers and told them what I could do”*. At the start of his career, his aim was to create values for customers. So he listened carefully to his customers explanations of their requirements and then thought about how he could improve their training, *“I literally tried to read between lines when talking with customers”*. He is aware of the risks and so he advises them to keep their eyes open, *“financial risks can appear very quickly”*. His father had run a business for a short time but it was unsuccessful and this negative experience remained with the family. His mother pushed him to get a “normal job”: *“she saw that I had created and written something, I was in a hurry to achieve something she didn't understand and so she tried to stop me. But I felt it was because she was trying to protect me.”*

PROFILE 5 (ADAPTIVE IMPLEMENTER) (aged 30, university degree, construction project manager)

The reasons this young man became an entrepreneur were obvious: he wanted to be in control of his own time and to escape from a corporate way of working that he strongly disliked. When preparing to go into business, he looked at his father's career and the opportunities in the family business, *“I capitalized on the know-how around me”*. He reassessed the possibilities

and joined his father, *“my father clearly supported me, he shares his experience and contacts with me. My mother keeps asking me when will I get a normal job.”* While launching his entrepreneurial career, he was wondering how he could bring innovation into his father’s well-established business. He is well aware the risks are always there, the financial ones especially, but other risks too: *“you can lose your name, status and even your health when you fail.”*

PROFILE 6 (RESILIENT PREDICTOR) (aged 26, university degree, drinks manufacturer)

This young man’s pathway into entrepreneurship opened up once he had identified the opportunity: *“there was an opportunity and I wanted to seize it.”* My studies and time spent abroad had enhanced my entrepreneurial activities: *“I started my business while I was a university student, six months before graduating”*. He emphasized his *“open-minded”* approach to everyday life. He thinks there are many opportunities around; you just have to spot them. He patiently followed his dream and did not allow other people to distract him from it. He and his brother shared the work on the final stage of the preparations for launching the business: *“I am in charge of the marketing and my brother is responsible for production. We help each other; he does one part and I do the other.”* Risks present themselves everyday: *“an entrepreneur is a kind of psychopath, as he is willingly to risk his own money, time and part of his personal life. Something could happen at any time.”* He talks of *“acceptable risk”*: *“The price wasn’t that high, so if it hadn’t worked, I wouldn’t have had huge regrets.”* Nobody in the family had been in business. His parents did not want their sons to run their own business at the beginning, but... *“...when they realized they couldn’t talk us out of going into business, they began supporting us and they still do”*. All in all, the business made us join forces as a family: *“I run the business together with my brother.”*

PROFILE 7 (GOAL ORIENTED SELLER OF IDEAS) (aged 27, secondary education/university studies not completed, soft skills trainer)

This young man decided to become an entrepreneur because he sought financial independence and personal autonomy. He began preparing to go into business when at university. He discovered he had the drive to create his own career trajectory: *“I was developing more skills and competences and I immediately put these into practice”*. At the start of his career, he was very active in contacting potential clients and offering his services: *“selling the idea was my main activity.”* He was prepared to accept risks. He mentions innovative risk as a serious threat: *“When an entrepreneur stops coming up with new ideas, he/she may go bankrupt sooner or later.”* His family has no business background and his parents were sceptical about his career at the beginning but are now supportive: *“... I was told: Oh, I didn’t think you would succeed, and of course it was a challenge for me and strong motivation for me to achieve.”*

Discussion

This study and the findings presented here contribute to what we know about the processes and background to the entrepreneurial beginnings of young people. The analyses of

the material show that young people's decisions about entrepreneurship are influenced by many factors. In addition to well-known factors such as the potential for self-realization, autonomy and family influence (Pilková et al., 2017), our findings suggest that entrepreneurship presented young, competent people with a means of staying in Slovakia, and in their home region. The local market in Slovakia is not saturated, and so it is easier to find business opportunities (gaps in the market) and there is less competition among SMEs. The responses of the young entrepreneurs suggest that travelling and seeking inspiration abroad are one way of discovering business opportunities. Environmental factors and the influence of the family are often discussed in the literature (Schoon & Duckworth, 2012). Entrepreneurial parents usually play an influential role, but supportive parents with no business experience can act as good models by displaying useful competencies through good attitudes to work. Moreover, our findings show that entrepreneurship strengthens communication and family relationships.

The participants of our focus group demonstrated that they had the courage to take the first step and set up their own business and the willingness to share their experiences. The research findings provide valuable insights that we were subsequently able to draw on when creating a training programme for university students called "Do something!", on developing entrepreneurial skills (Kožárová, 2018; Kožárová & Fedáková, 2018). We expect that these real-life profiles of young entrepreneurs who launched their careers while still at university will encourage other students embarking on their career path. There is potential for business universities to focus on developing competencies and to provide a "contact environment" in which students can gain their first business experience (Salem, 2014). More than 50% of graduates do not work in the field they studied (Trexima, 2019). Entrepreneurship could therefore present an alternative means of self-assertion while preventing brain drain.

The limitations of our study are the small research sample, the fact that all the participants were men within a single age category from one region in Slovakia. However, group homogeneity can also be considered a strength in qualitative analysis. In the future, we are planning to carry out a study with female entrepreneurs. Comparing different age categories when investigating the start of the career path could also enrich the research. The outputs of the content analysis may serve as a basis for measuring the entrepreneurial start.

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