

Young and Old Generation Entrepreneurs: Analysis of Inter-Generation Variations in Their Experiences

G.Yeshwanth Rao¹, S.F.Chandra Sekhar²

¹Creative Society for Training and Development, NGOs Colony, Vanasthalipuram, Hyderabad.

²Professor and Head-HR, Siva Sivani Institute of Management, NH7, Secunderabad

Abstract:

An era of economy characterized by entrepreneurial veterans is on the verge of disappearance, ushering in a new economic era wafted out by more dynamic, innovative and technology savvy young entrepreneurs. Do entrepreneurs that mean the older entrepreneurs are unrivaled? The present study intends to explore the characteristics of the young and the Old generation of entrepreneurs on various personal, familial and operational facets of entrepreneurship. Results reported reveal that such inter-generational variations are visually surprising in nature, indicating that there seems similar patterns among them universally with a very few exceptions.

1. Introduction

The end of an old era, in the world of entrepreneurship, has ushered in the new one. An era which not only brought out a plethora of ideas and initiatives translated into world class businesses, was also wrought with not only the success of a few, but the death and decay of quite a lot of them buried with their outdated mindset and experiences. The new era is characterized by the next generation of young, dynamic, innovative and intellectual-techno challenging. These people have the mindset of being the harbingers in the emerging ecosystem world over in general and in India in particular.

Globally, the post - recession resurgence of entrepreneurial spirit created a new environment for aspiring entrepreneurs on many fronts. i) Valuations of successful startups have hit an all-time high, ii)

Diverse investors for early-stage startups available than ever, iii) Cost of entry for a startup is at an all-time low, iv) Startup incubators and accelerators are popping up everywhere, v) Globally creating new opportunities and value propositions, vi) Making effective use social media platforms for product tuning, brand building and cost effective interactivity, vii) Emerging role of academic fraternity as knowledge partners. All of these trends have triggered a new kind of the entrepreneurial ecosystem with a need and convergence of learning based professional entrepreneurship models.

2. Research Studies

In this section research studies on young entrepreneurs across some countries have been reviewed and presented to know how this generation of people looks at things as they do. Knatko et.al (2016) Entrepreneurial entry happens as a consequence of a general choice of an individual to become an entrepreneur. While most entrepreneurial entry studies rarely consider an industry choice to be an important criteria for doing business, this study explored that country specific variations were found among them. Gabarret et.al (2000), attempted to understand the entrepreneurial motivation of a group of student's entrepreneurs of the Y generation in France, and tries to discover the values convey young entrepreneurs through their motivation to start a business. They found that the impact of family support of young entrepreneurs' start-up activities was high.

Edelman et.al (2016). Found that the use a social support perspective and hypothesize that the scope

of start-up activities is positively associated with two types of instrumental family support, financial and social support. They also found that family, social capital is positively associated with the scope of start-up activities, family financial capital is negatively associated with the scope of start-up activities, and family cohesiveness amplifies the effect of family social capital on the scope of start-up activities.

Cepteureanu Sebastian Ion (2015) found that regarding personality of Romanian young entrepreneurs, concerning issues like level of independence, capacity for innovation, self-confidence, decision making process, level of persistence flexibility of young entrepreneurs, opportunities, energetic capability, social goals, entrepreneurial incentives or entrepreneurial determinants.

Babic and Zaric (2015). In their study from Serbia found that young entrepreneurs have a serious trust deficit, which is worrying in people who are potential future business leaders. Only one fifth of the respondents intend to start their own firm when they have finished studying. The reasons most often given are that government economic policy and monopolies hamper starting a business. Most of the respondents thought that the government should be more involved in providing a better environment for medium and small business. Most respondents believed that the Serbian recession was caused foremost by wrong governmental, economic policy, followed by corruption.

Cepteureanu et al (2015) found in European young entrepreneurs that the difficulties faced by young entrepreneurs across the European Union -- such as youth unemployment - remains important, and there is increased awareness for European Union policy makers about the economy.

Zhang et al (2014) in their study on instant messaging (IM) as a popular internet application among young entrepreneurs in China. They stated that there are more than ten IM products competing with each other. Of them, Tencent's QQ owned and managed by a young Chinese entrepreneur is in a dominant position taking about 90% of the market share. This paper identifies the factors that determine

the wide adoption of QQ by students and staffs in a Chinese university, which are social influence, enjoyment and communications effectiveness associated with this IM. Practical implications for young entrepreneurs as the main forces of IM business are offered.

Based on a multiple case study research, Cannonee (2014) aimed at providing some first evidence on the phenomenon of 'born global' companies (BGCs), i.e., companies that internationalise their activities from inception or shortly thereafter, founded by young entrepreneurs, by analysing those age-related factors that facilitate or hinder young entrepreneurs to start a BGC. An in-depth qualitative analysis has been performed based on eight BGCs founded by young Italian entrepreneurs. They highlighted that young entrepreneurs, being more financially constrained than old entrepreneurs, tend to move towards countries where those resources are more easily and widely available. Moreover, they found that young entrepreneurs seem to invest heavily on their social capital to counteract the young age effect. Finally, they suggest that - for young entrepreneurs - prior experience abroad has amplified relevance in the internationalisation process of a company.

3. The Present Study

The first generation of entrepreneurship models has provided enough lessons about the mixed experiences of success and failures. Further, this version is characterized by the amazing dreams of entrepreneurial fruition and also the hushed up aspirations, the license raj-the good, bad and the ugly side of the administration; Academic initiatives, translation of models into practices, research output representing a cross-culture of entrepreneurship across, on the other hand. All of such previews of first generation entrepreneurship, create the need for a platform wherein the convergence of people of diverse experiences builds spontaneity. Therefore, it is imperative to address the premises of NextGen entrepreneurship. In this study, various experiences of the young and the old entrepreneurs we culled from their responses and are analysed according to the category to which they belong.

4. The Method

Using descriptive and analytic research design, twin cities of Hyderabad and Secunderbad is chosen as a study area. Using the entrepreneurial databases from the internet search, Continental 100 entrepreneurs were contacted through a web form with a list of structured questions. Only 32 young entrepreneurs and 19 old entrepreneurs responded to the questionnaire administered to them. Thus a response rate of 51 percent is quite encouraging. Data pertaining to the experiences of the entrepreneurs are cross tabulated with their category and the results are presented in the following sections.

5. Results and Discussion

We decided to know whether there are any variations in their personal, family and entrepreneurial profiles. Thus, data collected in this regard are cross tabulated and presented in table 1.

Table 1: Personal and Familial Profile

	Generation		Total
	Young Generation (32)	Old Generation (19)	
Education			
Intermediate	5	11	16
	31.3%	68.8%	100.0%
Technical Graduate	9	1	10
	90.0%	10.0%	100.0%
Non-technical Graduate	7	6	13
	53.8%	46.2%	100.0%
Technical PG	4	0	4
	100.0%	.0%	100.0%
Non-Technical PG	7	1	8
	87.5%	12.5%	100.0%
Family Background			
Agriculture	15	5	20
	75.0%	25.0%	100.0%
Business	4	11	15
	26.7%	73.3%	100.0%
Self-Employed young entrepreneurs	2	2	4
	50.0%	50.0%	100.0%
Others	11	1	12
	91.7%	8.3%	100.0%
Encouraging Children for Entrepreneurship			
Young entrepreneurs	28	11	39
	71.8%	28.2%	100.0%
No	4	8	12
	33.3%	66.7%	100.0%

Among majority of older generation pursued intermediate education (68.8%), whereas the majority of younger generation pursued technical graduation (90.0%). As regards non-technical graduates, the younger generation is in majority (53.8%).

Interestingly, all younger respondents were technical post graduates. As regards agricultural occupation, the majority of the younger ones are from such families (75%). Whereas, majority of older generation of business families (73.3%). Interestingly, a majority of young entrepreneurs (71.8%) stated that they encourage their children to pursue entrepreneurship as a career as opposed to a majority of the older generation which is discouraging their children (66.7%). With this preview of their personal views, in the next table their entrepreneurial views are stated.

Table 2: Entrepreneurial Experiences

	Generation		Total
	Young Generation (32)	Old Generation (19)	
Marketing			
1. No comment	3	3	6
	50.0%	50.0%	100.0%
2. Budget	6	5	11
	54.5%	45.5%	100.0%
3. Advertising	21	10	31
	67.7%	32.3%	100.0%
4. Sale promo	2	1	3
	66.7%	33.3%	100.0%
Manner of Production			
1. Anticipation of demand	18	9	27
	66.7%	33.3%	100.0%
2. On orders	14	10	24
	58.3%	41.7%	100.0%
Scope of Business			
1. Young entrepreneurs	25	15	40
	62.5%	37.5%	100.0%
2. No	7	4	11
	63.6%	36.4%	100.0%
Factors for Progress			
1. Market	18	7	25
	72.0%	28.0%	100.0%
2. Infrastructure	5	3	8
	62.5%	37.5%	100.0%
3. Availability of Raw material	2	1	3
	66.7%	33.3%	100.0%
4. Finance	0	1	1
	.0%	100.0%	100.0%
5. Improved technology	2	3	5
	40.0%	60.0%	100.0%
6. Availability of labour	4	1	5
	80.0%	20.0%	100.0%
7. Any other	1	3	4
	25.0%	75.0%	100.0%
Reasons for Slackness			
1. Difficulties in getting raw materials	10	7	17
	58.8%	41.2%	100.0%
2. Market difficulties, competitions	9	7	16
	56.3%	43.8%	100.0%
3. Lack of infrastructure	6	1	7
	85.7%	14.3%	100.0%
4. Difficulty in getting enough finance	2	2	4
	50.0%	50.0%	100.0%
5. Out dated technology	5	2	7
	71.4%	28.6%	100.0%
Satisfied with Entrepreneurial Career			
Young entrepreneurs	28	14	42
	66.7%	33.3%	100.0%
No	4	5	9
	44.4%	55.6%	100.0%
Rate Yourself			
1. most successful	7	3	10
	70.0%	30.0%	100.0%
2. Successful	18	14	32
	56.3%	43.8%	100.0%
3. Average	7	2	9
	77.8%	22.2%	100.0%

With regards to the marketing function, the majority of young entrepreneurs (54.5%) stated that they have earmarked budget for marketing than older entrepreneurs (45.5%). Also majority of young entrepreneurs (67.7%) stated that they promote through advertisement than the older entrepreneurs.

AS regards production, a majority of young entrepreneurs(66.6%) stated that they anticipate the demand before commencing production as opposed to the olderentrepreneurs(33.3%). Whereas with regard to on demand production, a majority of young entrepreneurs(58.3%) is willing more than the olderentrepreneurs (41.7%).

When they were asked about their scope of business, a majority of young entrepreneurs(62.5%) said it is more as opposed to the olderentrepreneurswho said that the scope is not more (37.5%).

With regard to the factors for progress, a majority of the young entrepreneurssaid that market (72.0%), infrastructure (62.5%), Raw material availability (62.5%), and availability of labour (80.0%), are the important factors for progress. Whereas, the older entrepreneursuggeststhat the availability of finance is the major factor for progress.

When both the entrepreneurs were asked about the reasons for slackness of the business, a majority of young entrepreneursstated that it is difficulty in getting raw material (58.8%), Market difficulties, competitions (56.3%), Lack of infrastructure (85.7%), and out dated technology (71.4%). Surprisingly, difficulty in getting enough finance was equally felt by young entrepreneurs(50.0%) andold entrepreneurs(50.0%).

As regards satisfaction with the career as an entrepreneur, a majority of young entrepreneurs(66.7%) said that they are satisfied as opposed to a majority of old entrepreneurs(55.6%) said that they are not satisfied.

When finally the respondents were asked to rate them how successful are they, a majority of them said that they are either most successful (70.0%) or just successful (56.3%) or Average successful (77.0%).

5. Conclusion

Entrepreneurial entry happens as a consequence of a general choice of an individual to become an entrepreneur in almost all cultures of the world. However, thepercentage of such known effort is hardly 5% to 8% in any given society. In the recent young entrepreneurs there is a mushrooming of start-ups across the world, initiated predominantly by the

younger generation of men and women. Such trend is characterized by governmental policies and programmes, creating an enabling ecosystem to support young generation of entrepreneurs.

Next generation entrepreneurship is high on the political agenda as ameans to boost competitiveness and increase employment opportunities. Young entrepreneurs have the potential to build a new economic dynamic generating growth and jobs. Given such background, this study intended to explore a comparative picture of how the young and the old entrepreneurs experience in their day-to-day, their life in the career of their choice. We have not found any significant variations in their experiences, even though their attitudes and outlook are different.

6. References

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