

ENTREPRENEURIAL INTENTION AND EFFECTIVE INTEGRATION OF YOUNG PEOPLE WITH LOWER ECONOMICS STATUS IN INCLUSIVE BUSINESS MODELS

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Abstract

The purpose of this research is to investigate the effect of the economic status (household income level and household employment status) of young people on their entrepreneurial intention, as an essential precondition for their effective integration in inclusive business models. The research was conducted at the largest University in the Republic of Macedonia with undergraduate students mainly in their first and last year of studies. The data was analyzed using an independent – sample t-test for comparing the entrepreneurial intention between students from employed and partially unemployed/fully unemployed families, as well as between students from higher income and lower income families. The results indicate that students from lower income families (less than average monthly net wage) and students from partially unemployed/fully unemployed families (one or both parents are unemployed), compared to their counterparts from families with higher economic status, indicate statistically significant weaker entrepreneurial intention, i.e. orientation towards entrepreneurship. In this respect, for the effective integration of low-income population in the inclusive business models the main focus should be strongly towards integrating of this population in the work of awareness creation for entrepreneurial orientation.

Keywords: social entrepreneurship, inclusive business models, economic status, low-income people

1. INTRODUCTION

The understanding of social entrepreneurship covers a range of societal level movements, organizational forms and structures, and individual initiatives. In the focus of discussions in this field are inclusive business models as one of the tools for raising and nurturing certain businesses in their path towards growth, especially considering the strong presence at social entrepreneurship level. Inclusive business models and interconnected concepts such as social entrepreneurship and social businesses are highly on the agenda of many public, private and non-profit organizations working on sustainability and Sustainable Development Goals (SDGs). Inclusive business models include the low-income population at various points in the value chain: on the demand side as clients and customers, and on the supply side as employees, producers and business owners (UNDP, 2008). They build bridges between businesses and poor people for mutual benefit in the supply chain, in the workplace and in the marketplace.

Despite the rise of awareness and documentation of best practices, as yet no comprehensive empirical data exist about the development and implementation of inclusive business models in developing countries (Rösler et al., 2013). Regardless of numerous reasons and benefits for their creators, facilitators, beneficiaries (low-income people), as well as their wider social and economic impact, there are extensive barriers when it comes to develop and implement inclusive business models. One of the main obstacles for implementation of inclusive business models is the lack of knowledge and skills among low-income population, to act either as clients or as suppliers and employees (Veglio, Fiedler, 2016). Also, we know much about the potential benefits of inclusive business models, but it is not certain that low-income people have entrepreneurial intentions at all, which is even more essential before considering strengthening knowledge and skills of these people.

There are number of studies that have examined entrepreneurial intention, interests and activity of young people, students and other prospective entrepreneurs. Also, there are studies that have investigated the socioeconomic status, particularly in two out of its three dimensions, education and occupation of the earners in the family of young people, suggesting that families where parents are owners of a company represents a context in which career intentions are formed (Zellweger et al., 2011), their children learn the factors involving in running a business and consider establishing a new organization as a natural career choice option (Cooper et al., 1994; Sandberg and Hofer, 1987), as well as they are mitigated by the pressure to find a stable job and have the freedom to be more risk assertive (Wang, et al., 2011). What is less known and is even more important for the discussion of inclusive business models is the effect of economic status such as, household income and employment status of the earners in the family of young people on their entrepreneurial intention. In this context, Wilson et al. (2003) state that less studies have focused on the factors which deter students from engaging in entrepreneurial interests, where the lack of finance acting as entrepreneurship barrier in many cases. However, a few research on this topic has shown mixed evidence, stating that financial status of the family affects the child's choice of entrepreneurship career (Hsu, et al., 2007), considering that having access to finance could trigger a higher level of willingness or intent to conceive an entrepreneurial engagement (Raijman, 2001), or on contrary, there are studies that found no effects of household wealth and income on entrepreneurial interests and nascent entrepreneurship (Wang, Won, 2004; Kim et al. 2003). Some studies also argued that individuals with little capital also pursue an entrepreneurial career out of necessity (Mueller, 2006).

Bearing in mind the limited research and mixed evidence of effect of economic status on entrepreneurial intention, we aim to add to this discussion, considering the effect of economic status (household income level and household employment status) of young people on their entrepreneurial intention as an essential precondition for their effective integration in inclusive business models. We focus our research on the student population as they are treated as most promising sources of entrepreneurship (Veciana et al., 2005), considering the colleges as places where new products and processes as a foundation of new businesses, are created (Wang et al. 2011).

Empowering low-income communities to participate in inclusive business value chains (by building their capacities and by providing them with access to finance) will mean raising the potential for their further entrepreneurial orientation. In this respect, what is even more important for effective integration of low-income population in the inclusive business model, is engagement of this population in the work of awareness creation for entrepreneurial orientation.

2. LITERATURE REVIEW

Theoretical background

Society considers dominantly that socio-economic inclusion of socially vulnerable groups should generally be managed through seeking opportunities for their employment in the business sector. Though, there are a growing number of practices through which low-income people can be involved in cooperation with the business sector. However certain authors (Rösler et al., 2013) state the Inclusive business models are intended to circumvent existing market failures and inefficiencies to successfully integrate the poor, either on the demand side as clients or on the supply side as distributors, suppliers of goods and services, or employees. Integrating the poor ("base of the pyramid") on the demand side means, for instance, providing consumer products, healthcare, water and sanitation, education, energy, or financial services to the poor.

Inclusive business is a term coined by the WBCSD in 2005 referring to ventures that go beyond philanthropy by integrating low-income communities into companies' value chains as customers, suppliers, retailers, and distributors (Veglio and Fiedler, 2016). The G20 Inclusive Business Report of the 2016 Summit, further clarifies the concept of inclusive business models by outlining the common elements of the inclusive business approach, such as: market-oriented; business relationship with the "base of the pyramid"; offer basic goods and services to "base of the pyramid" customers and/or enhance livelihoods of "base of the pyramid" suppliers, retailers, distributors by connecting to markets; and environmentally and socially sound.

Inclusive business models create shared values for low income people and the business sector, as well as for the wider society. According to the Report: *Creating Value for All: Strategies for Doing Business with the Poor*, published by the UNDP Growing Inclusive Markets Initiative (2008), inclusive business models build bridges between businesses and poor people for mutual benefit in the supply chain, in the workplace and in the marketplace. The benefits from inclusive business models go beyond immediate profits and higher incomes. For business they include driving innovations, building markets and strengthening supply chains. Whereas for the poor they include higher productivity, sustainable earnings and greater empowerment. Inclusive business models generate new jobs, raises incomes, imparts technical skills and strengthens local capacity. Poor consumers can benefit from products and services that meet their needs in affordable ways. The emphasis is on “core business” rather than on philanthropy (Business Call to Action, 2015)

Wide range of entities could create inclusive business models in which low-income people could be involved at various points in their value chains, as well as all other entities that through their actions and cooperation are indispensable for the models to succeed. Such entities include private for-profit companies of all sizes—from the one-person enterprise to the MNC with thousands of employees in dozens of countries. Also included are state-owned companies and co-operatives. Hence, according to the UNDP Report for Summit on the Millennium Development Goals, four types of entities are distinguished: MNCs, large domestic companies, local SMEs and NPOs (or social enterprises that are mission-oriented rather than profit-oriented).

Because of their importance in creating wealth and wider benefits for the society, personal and social-entrepreneurs have long been the subject of intensive study. It is important to answer why some people, but not others, recognize or create new opportunities, exerting vigorous efforts to convert their ideas and dreams into reality. By focusing only on the personal characteristics of entrepreneurs researchers failed to answer these questions (Baron, 1998). The great challenge for research was to turn to research concerning the question of whether entrepreneurs think differently from other persons and they have focused on entrepreneurial intention (Baron and Ward, 2004). Intention as antecedents of entrepreneurial behavior has been widely acknowledged in entrepreneurship research, as it is considered to be the most proximal predictor of the decision to engage in entrepreneurial behavior. Entrepreneurial intentions show how ready an individual is to engage in entrepreneurship. Any planned behavior could be best predicted by observing intentions toward that behavior - not by attitudes, beliefs, personality, or mere demographics (Bagozzi et al., 1989). According to Krueger et al. (2000), behavior is often only weakly predicted by attitudes alone or by exogenous factors that are either situational (for example, employment status or informational cues) or individual (for example, demographic characteristics or personality traits). Intention-based models contend that venture creation must be preceded by the development of intentions to create a new venture, and that by understanding intentions we can better predict venture creation (Shook et al., 2003). Following the cognitive approach of social learning theory, Ajzen (1987) built his theory of planned behavior (TPB), stating that intentions capture the motivational factors which influence behavior. Past research showed that the TPB is able to predict substantial amounts of entrepreneurial intentions in general.

There are number of studies that have examined the entrepreneurial intention, interests and activity of young people, students and other prospective entrepreneurs. Also, there are studies that have investigated the socioeconomic status like education and occupation of the earners in the family of young people (Zellweger et al., 2011; Cooper et al., 1994; Sandberg and Hofer, 1987; Wang, et al., 2011). What is less known and is even more important for the discussion of inclusive business models is the effect of economic status such as, household income and employment status of the earners in the family of young people on their entrepreneurial intention (Wilson et al., 2003). Limited research on this topic has shown mixed evidence about the influence of financial status of household on entrepreneurial intention on young people (Hsu, et al., 2007; Rajiman, 2001; Wang and Won, 2004; Kim et al. 2003; Mueller, 2006).

Hence, the questions arising from these issues are: Does the economic status of people affect the level of their entrepreneurial intention? If that is so, how could people with lower economic status be encouraged to do business with them, integrated as suppliers or distributors of goods and services into the inclusive business models of existing companies?

Conceptual development and hypotheses

Exogenous influences (like demographics, society, traits, financial support, and culture) can affect the attitudes and also the intentions indirectly and behaviors to become entrepreneurs (Shapero & Sokol, 1982; Coulter, 2001). Out of the exogenous factors, family support is one of the most important as it proves to be backup of the entrepreneur (Shapero & Sokol, 1982). Growing up in a family where parents are owners of a company represents a particular context in which career intentions can be formed (Zellweger et al., 2011). The children of entrepreneurs learn the factors involving in running a business and consider establishing a new organization as a natural career choice option (Cooper et al., 1994; Sandberg and Hofer, 1987). Previous research has found that the relation between family business background and self-employment is positive in regard to entrepreneurial intention (Obschonka et al., 2010; Edelman, Manolova, Shirokova and Tsukanova., 2016; Bird and Wennberg, 2016). Family characteristics have implication on emergence of new business, recognition of opportunity, start-up decisions and resource mobilizations (Aldrich & Cliff, 2003). Shapero and Sokol (1982) in the so-called entrepreneurial event model (SEE=Shapero entrepreneurial event) assume that people are pursuing a path based on the directions provided by family, job, social status, etc. Also, an important determinant of entrepreneurial behavior could be the individual's exposure to successful role models (Morris, 1998). There is some indication that the actual exposure to entrepreneurial experience through household or personal experience increases the likelihood of entrepreneurship (Sorensen, 2005).

The household income and entrepreneurial intention

It should be considered that those individuals which have been growing up in a wealthier setting are mitigated by the pressure to find a stable job and have the freedom to be more risk assertive. So it obvious that this background could be potentially influencing entrepreneurial intentions (Wang, et al., 2011). In that sense the financial status of the family has been observed to have an impact on the child's choice of entrepreneurship (Hsu, et al., 2007). It has been considered that those growing up in a setting, which considers having access to finance could trigger a higher level of willingness or intent to conceive an entrepreneurial engagement. In this sense financial resources in the family has direct bearing on entrepreneurial intentions (Raijman, 2001). Erkkö and Zoltan (2007) found that household income was shown to be a particularly strong predictor emphasizing the importance of financial assets for entrepreneurial growth expectations. Lusardi (2004) found that there will be an increase in the motivation to start a business by increase in the level of family wealth. Still some authors (Wang, Wong 2004) claim in their findings that the parents' financial and social status were not significantly influencing on the self-employment. Nishantha (2008) states that combination of personality traits and socio demographic factors leads to self-employment intention through the attitude toward entrepreneurship. However, the contribution of socio demographic factors (parents' occupations and self-employment experience) for developing entrepreneurial intention among the business students is relatively low. Moradi and Saeedikiya (2016) consider the moderation effect of household income and gender on the relationship between entrepreneurial competencies and entrepreneurial intention, Results indicated that household income has a negative influence on the relationship between entrepreneurial competences and EI indicating that low income people tend to benefit from their competence toward EI more than high income individuals. Hence, we propose the following hypothesis:

Hypothesis 1: Individuals growing up in a high-income household have higher entrepreneurial intention

The household employment status and entrepreneurial intention

The scholars Anyadike-Danes and McVicar (2005) have run a longitudinal study in which they tested the effects of childhood influences on career paths. They have found that having a father coming from a low social class and suffering from long-term unemployment during childhood, foster the children to have a stable employment later in the career. In contrast, children having highly educated fathers have a higher probability to become well educated and involved in entrepreneurial activities or to become self-employed. In this regard, the identification with the key figures in the close social environment of the children is able to show the career direction. Children tend to strive for a successful career, when the key figures have a positive effect on them. Hence, we propose the following hypothesis:

Hypothesis 2: Individuals growing up in a household where both parents are employed have higher entrepreneurial intention

3. RESEARCH METHODOLOGY

Analytical approach

In order to answer to the aim of the research, we conducted a survey using a questionnaire, which is based on measuring the variables presented by the Theory of Planned Behavior: personal attitude, subjective norm and perceived behavioral control. The data were analyzed using descriptive statistics in order to indicate the main trends. Further on, an independent – sample t-test was performed which mainly compares the means of entrepreneurial intention between students from higher income and lower income families, as well as between students from employed and partially unemployed/fully unemployed families.

Research sample

The research was conducted at the largest university in Republic of Macedonia, with undergraduate students mainly in their first and last year of studies. A sample of 515 respondents (Table 1) was collected where the average age of the respondents included in the research is 20.54 years; 69.2% are female and 30.8% are male students. Of the total number of respondents, 52.6% are in their first year and the rest in the fourth year of study. The students in the first year of studies haven't followed subjects related to entrepreneurship, though students in the fourth year of studies have followed some subjects related to entrepreneurship, thus we controlled for the effect of entrepreneurial education on entrepreneurial intention. The average number of members of a household is 4.3, which is higher than the European average which is between 2 and 3. There are 141 families with one or two unemployed parents and 370 with two employed parents, whilst there are 49 respondents coming from lower income families (less than average monthly net wage) and 453 from higher income families (more than average monthly net wage).

TABLE 1 - DESCRIPTIVE STATISTICS OF THE SAMPLE

Variables and categories	Frequencies	Percent
Gender		
Male	159	30,8
Female	356	69,2
Total	515	
Year of studies		
First year	271	52,6
Fourth year	244	47,4
Total	515	
Level of income in household		
Lower income household	49	9,7
Higher income household	453	90,3
Total	502	
Employment status of family		
Partially employed/unemployed family	141	27,5
Employed family	370	72,5
Total	511	
Mean		
Age	20,54	
Number of members in a family	4,3	

The questionnaire and measures

The methodological approach of the research resides on using a standardized and relevant measurement tools to measure the entrepreneurial intention, the EIQ (Entrepreneurial Intention Questionnaire) measurement tool based on the application of TPB to entrepreneurship (Liñán and Chen, 2009). The analysis is based upon

constructs which are not directly measured, but by connected indicators explaining the main variables in the model, measured through a Likert-type scale with seven points. Although the questionnaire covers various sections the main emphasis is on entrepreneurial intentions. In this respect some of the variables related to demographics provide information related to employment and income, since this is within the focus of this research attempt.

The entrepreneurial intention is calculated as a mean of the values appointed for each of the following 6 items measured on a 7-point scale: I am prepared to do everything in order to be entrepreneur; I will put a great effort for starting and running my one business; I doubt that I will ever start a own business; I am decided to start a new business in the future; My professional goal is to become an entrepreneur; I have small intention to start a new business in my live.

In the context of providing groups of employed and partially unemployed/fully unemployed families as well as with lower income families and higher income families, the respective variables were transformed into dummy variables. For the family employment, a dummy variable was created, and the respondents were divided into two groups: individuals coming from families with one or two unemployed parents and individuals coming from families with two employed parents. For the individuals from families with different income, also a dummy variable was created, and the respondents were divided into two groups: individuals coming from lower income families (less than average monthly net wage) and individuals coming from higher income families (more than average monthly net wage).

4. ANALYSIS AND RESULTS

Considering descriptive statistics analysis of researched variables, the results are presented in Table 2 and Table 3.

TABLE 2 - DESCRIPTIVE STATISTICS OF ENTREPRENEURIAL INTENTION OF INDIVIDUALS COMING FROM LOVER AND HIGHER INCOME FAMILIES

		Income	Mean	Std. Deviation	Std. Error Mean
Entrepreneurial intention	Lower income family		3.9456	.74721	.10674
	Higher income family		4.1862	.72652	.03413

TABLE 3 - DESCRIPTIVE STATISTICS OF ENTREPRENEURIAL INTENTION OF INDIVIDUALS COMING FROM PARTIALLY EMPLOYED /UNEMPLOYED FAMILIES AND EMPLOYED FAMILIES

		Mean	Std. Deviation	Std. Error Mean
Entrepreneurial intention	Partially employed/unemployed family	4.0390	.78645	.06623
	Employed family	4.2050	.70152	.03647

The effect of the level of economic status on attitude towards engaging in an entrepreneurial activity is in the focus of the research attempt. Hence the independent-samples t-test was run to determine if there were differences in engagement of two different groups. The assumptions made when doing a t-test including the scale of measurement, random sampling, normality of data distribution, adequacy of sample size and equality of variance in standard deviation were met.

Regarding the first researched variable, the family income level, there are 49 individuals coming from lover income families (less than average monthly net wage) and 453 individuals from higher income families (more than average monthly net wage). Entrepreneurship and in this sense entrepreneurial intentions were more engaging to those coming from a family with higher incomes (4.18 ± 0.72) than individuals coming from lower incomes families (3.94 ± 0.74). The individuals coming from higher income families have a mean entrepreneurial score 0.24 ± 0.10 higher than those individuals coming from lower income families. There is a statistically significant difference in mean score between individuals from these two groups, $t(500) = 2.196$, $p = .029$. In this line the results provides indications that individuals coming from higher income families have a different orientation towards entrepreneurial intentions in general (Table 4).

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TABLE 4 - T-TEST STATISTICS OF DIFFERENCES BETWEEN ENTREPRENEURIAL INTENTION OF INDIVIDUALS COMING FROM LOWER AND HIGHER INCOME FAMILIES

		Levene's Test for Equality of Variances		t-test for equality of means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Entrep. Intention	Equal variances assumed	.085	.771	-2.196	500	.029	-.24059	.10956	-.45584	-.02533
	Equal variances not assumed			-2.147	58.254	.036	-.24059	.11207	-.46490	-.01628

Also, the independent-samples t-test was run to determine if there were differences in engagement of two different groups, 141 students coming from families with one or two unemployed parents and 370 students coming from families with two employed parents. The results from the analysis performed indicate that entrepreneurship and, in this sense, entrepreneurial intentions were more appealing to those coming from a family with two employed parents (4.20 ± 0.70) than students coming from families with one or two unemployed parents (4.03 ± 0.78). The individuals coming from an employed family background have a mean engagement score 0.16 ± 0.07 higher than those individuals coming from partially employed or unemployed family. There is a statistically significant difference in mean score between these two groups $t(509) = 2.310, p = .021$. In this line the results provide some indications that individuals coming from employed families have a different orientation towards entrepreneurial intentions in general. (Table 5).

TABLE 5 - T-TEST STATISTICS OF DIFFERENCES BETWEEN ENTREPRENEURIAL INTENTION OF INDIVIDUALS COMING FROM PARTIALLY EMPLOYED/UNEMPLOYED FAMILIES AND EMPLOYED FAMILIES

		Levene's Test for Equality of Variances		t-test for equality of means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Entrep. Intention	Equal variances assumed	3.573	.059	-2.310	509	.021	-.16595	.07184	-.30709	-.02481
	Equal variances not assumed			-2.195	229.758	.029	-.16595	.07561	-.31492	-.01697

5. DISSCUSIONS

As has been mentioned, the benefits of inclusive business models are very well known and recognized, but what is not certain is the entrepreneurial intention of the people with lower level of economic status, which is even more essential for their successful implementation, before we think about strengthening the knowledge and skills of these people, as well as taking other necessary measures and actions to promote inclusive business models. Therefore, the aim of the research was to investigate the effect of economic status (household income level and household employment status) of young people on their entrepreneurial intention as an essential precondition for their effective integration in inclusive business models.

Regarding the first hypothesis, the results have led to the acceptance of this hypothesis, i.e. individuals growing up in a high-income family have higher entrepreneurial intention. We found that entrepreneurship as a career

option was more appealing to those coming from a family with higher incomes than individuals coming from lower incomes families. Individuals coming from a higher income family have significantly a higher level of entrepreneurial intention than those individuals coming from lower income families. Research in this field has provided some arguments and possible reasons that confirm our results. High income households are able to better provide the necessary financial resources to fuel entrepreneurial firm growth, the young members may be able to receive loans or financial support from their parents, and finally they feel more motivated to start a business (Dunn and Holtz, 2000; Hurst and Lusardi, 2004; Lusardi 2004). Also, the results have led to the acceptance of the second hypothesis, that individuals growing up in a family where both parents are employed have higher entrepreneurial intention. We found that the individuals coming from an employed family have significantly higher levels of entrepreneurial intention than those individuals coming from partial or completely unemployed family. This can be argued by some explanations related to the effect of individual's exposure to successful role models (Kent; Eisenhardt and Forbes; Scherer, Adams and Wiebe; Bird and Vesper; in Morris, 1998), or by actual exposure to entrepreneurial experience through household or personal experience (Sorensen, 2005). On the other hand, having parents who have suffered from long-term unemployment can foster the children to have a stable employment rather than self-employment career (Anyadike-Danes and McVicar, 2005).

Regarding the first research question: Does the economic status of people affect the level of their entrepreneurial intention? The results indicate that individuals coming from lower income families (less than average monthly net wage) and individuals coming from partially unemployed/fully unemployed families (one or both parents are unemployed) have statistically significant weaker entrepreneurial intention, i.e. orientation towards entrepreneurship. Regarding the second research question: How could people with lower economic status be encouraged to do business with them, integrated as suppliers or distributors of goods and services into the inclusive business models of existing companies? Considering different aspects of literature it has been suggested that for effective integration of people with lower economic status in the inclusive business model the main orientation should be strongly towards engaging of this population in the work of awareness creation for entrepreneurial orientation. According to Theory of Planned Behavior (TPB) and its application in the field of entrepreneurship, which we use to measure entrepreneurial intention, behavioral intentions are an additive function of three motivational factors: attitude towards the act, social norm and perceived behavioral control. Practically, these three factors indicate the segments in which it should be observed act to raise awareness (Ajzen, 1987). First, measures and programs are needed to guide the creation of positive values and attitudes among low-income people for entrepreneurship and the opportunities that can arise from undertaking entrepreneurial ventures. The second segment where promotional measures should be undertaken are subjective norms as a normative pressure from a specific reference group around the low-income people, i.e. what important people in an individual's life considering this population think about venture creation. In this regard, the measures of the governmental and non-governmental sector should be directed towards creating a broader positive picture and perception of the immediate environment and communities in which low-income people live and work. The third predictive component of intention is perceived behavioral control, which means the perceptions and beliefs about whether one has the necessary capabilities (e.g., time, money, skills, equipment) to perform a particular behavior successfully. In this respect the lack of knowledge and skills among the low-income population to act either as clients or as suppliers and employees should be taken vigilantly, and different educational and supportive programs should be developed and implemented.

6. CONCLUSIONS

Understanding entrepreneurs is one of the main roads in entrepreneurship research. The idea that we could potentially find ways to nurture entrepreneurs or understand the causality of certain experiences related to entrepreneurial action is mainly troubling researchers around the world. There are ongoing discussions of entrepreneurial intention and the background of individuals. In our research effort we have managed to shed some lights into this field of research coping to a rather specific perspective. We see business raised by lower income individuals as the core of economic growth and finding ways to integrate those business in an inclusive business models as a challenge. It has been proved that there is some connection of the level of intention and the family income. Individuals coming from a wealthier family are indicating higher levels of entrepreneurial intentions.

Even though this research contributes to the more empirical results in this field, it also has some limitations, so it calls for further research in this arena. One of the main limitations within our research is raising around finding a more structured approach toward evaluation of the socioeconomic status which could possibly bring a more coherent view. Further of course a more longitudinal design which shadows individuals over time shall offer a better understanding of the process of becoming an entrepreneur. Hence, future follow-up of respondents in the household survey could widen the perspectives of better understanding this subject. Another aspect the sample of this study is that only covered business students from the largest university in the country. However, to improve the reliability of general results future research should potentially expand the study to a more diversified pool of respondents. Which copes to the possibility for further research to include also non business students as well as entrepreneurs born and raised in a lower income household. Our research provides some relevant input that there is great potential in finding out the reasons behind the entrepreneurial intentions and why individuals are engaging into entrepreneurship, but also offers a new line of discussions which need to be uncovered.

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