



Received: 09 March 2017
Accepted: 28 July 2017
First Published: 03 August 2017

*Corresponding author: Amjad Ali,
Department of Social Sciences,
Karakoram International University,
Hunza Campus, Gilgit Baltistan, Pakistan
E-mail: amjad.eco@kiu.edu.pk

Reviewing editor:
Tahir Nisar, University of Southampton,
UK

Additional information is available at
the end of the article

MANAGEMENT | RESEARCH ARTICLE

Social and family capital and youth career intension: A case study in Pakistan

Amjad Ali^{1*}, Shafiq Ahsan² and Sophia F. Dziegielewska³

Abstract: Selecting a career can be a complex decision for young adults in any country. Developing an entrepreneurial career choice can benefit a country and its people in many ways. This study examined the opinions of 200 university students that were business-related majors in Pakistan to determine the factors considered important for entrepreneurial growth. Previous research from across the globe was examined and related to this topic. In this study, examining social capital included family networks, professional and recreational networks and having entrepreneurial role models. When looking specifically at social capital, consistent with previous research conducted across the globe, all of the areas were found to be significant. Whereas, family capital (family size, father's occupation, father's income when related to career intention) were not found to be statistically relevant to the career choice. This relationship is examined, and these findings in Pakistan are compared to previous research, and recommendations for future research are made.

Subjects: Enterprise Resource Management (ERP); Microeconomics; Business, Management and Accounting

Keywords: entrepreneurial leadership; career choices; business; leadership; Pakistan; career intentions

ABOUT THE AUTHORS

Mr Amjad Ali holds MPhil Degree in Economics from Quaid-i-Azam University, Islamabad, Pakistan. Currently he is working as an assistant professor of economics at the Department of Social Sciences Karakoram, International University, Hunza Campus, Pakistan. His main areas of research are development economics, macroeconomics and poverty, and has published many research papers in international journals.

Shafiq Ahsan holds MSc Degree in Economics from Karakoram International University, Gilgit Baltistan, Pakistan, and her area of research is development economics and entrepreneurship economics.

Sophia F. Dziegielewska holds a PhD in Social Work from Florida State University in Tallahassee, Florida, USA. Currently she is a professor and chair of the Institutional Review Board which protects the rights of Human Subjects at the University of Central Florida. As a faculty member she teaches a variety of subjects from research to clinical practice. Her primary areas of interest are in the areas of health and mental health and research-related informed policies and practice models.

PUBLIC INTEREST STATEMENT

This study investigates the effects of social and family capital on career decision-making on students at a University in Pakistan. This area was selected because in Gilgit Baltistan, youth unemployment has always remained a major challenge. The University has a significant number of educated graduates, but gaining access to employment could be limited with an under-developed industrial sector that has a poor infrastructure. Gainful employment can be further complicated by the rural nature of the environment and difficult geography which in turn creates an underdeveloped market. There is a lack of awareness with the commercial ventures and entrepreneurship, and these graduated students may have difficulty finding jobs. This high unemployment rate in the region has made the youth think about alternative options rather than traditional local-based jobs to earn a living wage. Among the alternative options, entrepreneurship can provide a successful option for the youth to further their career goals and get involved in helping to mobilize and advance the industrial sector.



Amjad Ali

1. Introduction

Selection of career is a complex decision for young adults. This decision needs to be individualized to a young person's situation and take into account many factors such as economic and social conditions, as well as personal interests (Campanella, Della Peruta, & Del Giudice, 2013; Roxas & Azmat, 2014). Hanson and Lynch (1992) defined family as individuals related by blood or marriage and to be successful needs to work together as an integrated unit. As a unit, the future choices that young adults make become central to developing and maintaining the social and family capital essential for future growth (Coleman, 1988). Selecting the best career while developing an entrepreneurial spirit helps young family members open-up channels for further development and sustainability of the family. Regardless of the culture, family customs and traditions may differ but one expectation remains clear, young adults carry the families' collective trust.

When selecting a career choice more senior family members often need to support the choices that are made financially and this can only be done through the resources the family has access too. For the family, it is more than just mobilizing resources to assist the young adult, as the family often needs the young person's career success to maintain their own financial security (Holtz-Eakin, Joulfain, & Rosen, 1994). Also for young individuals, career choices may be limited by current family roles and expectations, especially taking over a family business or serving on the farm.

In Pakistan, financial capital has historically been considered central to family-related decision-making. This limited perspective has changed somewhat with the introduction of the importance of social capital. The recognition of the influences social capital can have was highlighted in 1916 in United States by author Lyda Hanifan. This author recognized the family as a social unit and the importance of factors that affect the daily lives of people. Highlighting the importance of goodwill, fellowship, and social dialog where individuals as part of families make a cohesive social unit. Therefore, developing social capital links enhances values and understanding and supports members to trust and work collectively.

In Pakistan, where traditional values are always held strong, the need for a developing economy along with influences related to the Internet have brought global influences that make Pakistan a country ready for change. Recognizing social capital as an important indicator of financial success is central to continued growth and marketability of both the family and the society. As the landscape in Pakistan continues to change, so do migration patterns. This study is undertaken in a rural area of Pakistan where the job market is very limited and opportunities for entrepreneurial growth can be limited.

As a lion share of population in Pakistan is still living in rural areas, the youth graduating from educational programs in these rural areas often face difficulty finding employment when they choose to stay in their home area. Job availability is limited and this lack of opportunity is driving-up unemployment rates. According to Economics Survey of Pakistan (2014–2015), Pakistan has an urban unemployment rate of 5.00% and rural unemployment rate of 8.00%, respectively. To help reduce the country's unemployment rate, the government of Pakistan has launched a business youth loan scheme with a lower mark-up rate. This program is referred to as the "Prime Minister' Youth Business Loan Scheme" and it is designed to encourage the promotion of youth entrepreneurship in the country. This program is important and expected to benefit new graduates in the rural areas of Pakistan who want to start their career as entrepreneur. In Pakistan, however, especially in rural settings if the graduate goes back to his home area job availability can be influenced by several factors related to the family of origin. When returning to the home area factors such as: family income, the father's occupation, family size, their peer-support network and other social networks may influence both career choice as well as job availability. Family connections can be of central importance in considering any type of entrepreneurial activities. To better understand the influence returning to a rural area can have on the new graduate this study investigates the impact of family and social capital on a youth's career. Currently, in Pakistan there is little research on this topic and as more graduates are being trained and encouraged to seek entrepreneurial activity, it is important to understand how

this trend is influenced by graduates that return to a rural area where opportunities may be limited. With the paucity of empirical literature related to Pakistan on this topic this study seeks to examine the linkages between returning to the rural home environment and the influences that may occur due to family and social capital on the career intension of the university students.

To better understand the concept of social capital it was defined by the Organization for Economics and Development (OECD) as “networks together with shared norms, values and understandings that facilitate co-operation within or among groups” (OECD, 2001, p. 41). Recognizing and developing social capital is important for social bonding among family and friends. Social capital allows for a connection between the individual and his/her community while recognizing the influence and importance of social capital can help to predict the performance of groups while either promoting or discouraging certain career choices.

Entrepreneurship is type of employment where one individual not only engages in economic activity but also creates opportunities for others to engage in similar activity. Entrepreneurship maintains an important role in the economic growth of country. Thompson, Asarta, Zhang, and LeMarie (2013) said entrepreneurship is complex and requires entrepreneurial skill, risk taking, along with the availability of resources. Baron and Shane (2008) consider it an “engine of economic growth” that not only contributes to society but also to human kind. Governments also use this process to create job opportunities capitalizing on business venture schemes while encouraging students to take-on entrepreneurship as a career choice providing awareness of opportunities in this area and training. Entrepreneurship helps youth develop their own jobs rather than waiting for a job to present itself. To combat unemployment the Government of Pakistan has offered a host of subsidy programs and youth employment schemes.

To support youth employment the Prime Minister’s Youth Program is a special initiative for youth of Pakistan launched by government of Pakistan in 2013 to engage the youth of the nation in the economic activities of the country. The primary ministry youth loan scheme is one the initiatives supported by the primary ministry youth program that aims to provide small business loans that can involve unemployed youth, especially educated youth looking for establishing or extending business enterprises. Therefore, the Prime Minister Youth loan scheme is one of the recent policies established by the Government to assist with developing youth entrepreneurship.

When entrepreneurship is selected as a career choice a certain amount of resources are needed such as: financial capital, human capital, family capital and social capital. An entrepreneur needs information about the market situation, to develop skills and the financial resources along with support of the family as well as social networks. Entrepreneurs need to be aware of the importance of social capital and how to use it to diffuse information and gain financial resources and community support (Aldrich & Cliff, 2003). Social capital refers to a form of economic and cultural capital which is central to transmitting information and support from one generation to another and building network relationships.

According to Chen and Wang (2008) social networks provide a system where the entrepreneur can accomplish the mission while fostering network ties provides more support for innovative solutions that can benefit the society. Burt (1992) supports the contention that having social contacts with people and creating a support network is critical for entrepreneurial development. At community level it provides potential resources to engage in entrepreneurship that one individual has access to social relationships, and the trust of the community. According to Ajzen (1991) subjective norms related to family, friends, and social networks motivate while keeping the entrepreneur accountable.

This study investigates the possible effects of social and family capital on career choice (entrepreneurship) of students at a university in Pakistan. This area was selected because in Gilgit Baltistan, youth unemployment has always remained a major challenge. The University has a significant

number of educated graduates, but gaining access to employment could be limited with an underdeveloped industrial sector that has a poor infrastructure. Gainful employment can be further complicated by the rural nature of the environment and difficult geography which in turn creates an underdeveloped market. Also, there is a lack of awareness with the commercial ventures and entrepreneurship, and these graduated students may have difficulty finding jobs thereby increasing the unemployment rate in the region. This high unemployment rate in the region has made the youth think about alternative options rather than traditional local-based jobs to earn a living wage. Among the alternative options, entrepreneurship can provide a successful option for the youth to get involved.

2. Literature review

2.1. Family capital

To examine it is important to identify the relationship of family capital to engaging and supporting entrepreneurial activities. Akanbi (2013) examined determinants of entrepreneurship intention among vocational-based college of education through family capital, personality traits, and self-efficacy in Nigeria. Participants were 470 students from two colleges. Four main variables were examined and measured through several scales. Data were analyzed and Pearson Product Correlations and a multiple regression model. A linear relationship was revealed related to entrepreneurial intention and a parent's occupation, extraversion, agreeableness, conscientiousness, and openness while a negative relationship was found with neuroticism. The study did not find any association with family income and entrepreneurial intention.

Seo and Choi (2013), on the other hand, studied the entrepreneurial process of an IT venture through human capital in Korea using 260 KOSDAQ (Korea security dealer's automated quotation). They conducted a comparative study using different variables such as age of the respondent, educational level, school status, associated industry experiences and efficient background and how it related to different stages of entrepreneurship like the founding stage, the growth stage, and the harvesting stage. They found the role of youth, related industry experiences and efficient background served to develop opportunities, while there was no change in the IT industry by school status and educational level.

Cetindamar, Gupta, Karadeniz, and Egrican (2012) studied the women and men's entry to entrepreneurship in Turkey identifying the variables of personal, family and financial capital. The research data were taken from the GEM the global entrepreneurship with information gathered from 42 countries in 2006. Men ($n = 1,223$) and women ($n = 1,194$) were surveyed across 19 cities from both rural and urban areas of the country. The data were collected from three groups: those who currently started a business, those who were engaged in entrepreneurship for 42 months, and, those who wanted to start a business within the next 3 years. The results revealed that women who got a basic education were more likely to participate in entrepreneurship than men, while women with higher education did not want to start a business. These authors found that only large families encouraged entrepreneurship for women, and having financial capital was an important variable for both men and women.

Carr and Sequeira (2007) researched whether having a prior family business influenced intergenerational entrepreneurial intention. The sample size of the study was 308 respondents from large southwest city in the United States. The data were collected through questionnaires. When analyzed the authors found that when a participant had a family with an existing family business it tended to have a positive relationship between entrepreneurial intent and family support. Important aspects were participant attitude, perceived family support, and the level of entrepreneurial self-efficacy. They also found that entrepreneurial self-efficacy partially mediated the effect of starting a business when the respondent had a prior business. Consistent with the results of theory of planned behavior, this study found that there were direct and indirect effects on prior business leading to an intergenerational inclination toward business.

Chang, Memili, Chrisman, Kellermanns, and Chua (2009) examined how family capital influenced venture preparedness and business start-up decisions of Hispanic entrepreneurs in New England. Questionnaires were sent through the mail to 85 entrepreneurs who had taken a training related to managing a small business. The collected data were analyzed using ANOVA and found that the entrepreneur's knowledge was directly related with venture preparation for both venture preparedness and business start-up and the family was an important source of direct and indirect support.

Colombier and Masclat (2008) researched the intergenerational relationship with self-employment through evidence from a French European Community Household Panel Survey (ECHP) of 73,000 households with data collected from 1994 to 2001. This study had two primary aims, (1) to find whether there is a correlation between business choice and inter-generational entrepreneurship; and, (2) to find whether there was a difference between first and second generation entrepreneurial intention. The results they found from the European Community Household Panel (ECHP) were positively related to the probability of self-employment, and that first generation family members generally valued education more than second generation family members because the first generation had less information about self-employment whereas the second generation felt more confident in this area based on the training they had received. Thompson et al. (2013) studied entrepreneurial intention and whether it was influenced by parental experiences from a Panel Study of Income Dynamics (PSID). Surveyed in the United States by researchers from the University of Michigan in 1968, 5,000 households were examined. The aim of this study was to find whether children of that PSID study influenced entrepreneurship as an adult when their parents were entrepreneurs. The sample consisted of 620 men and women that were observed over a 2 years (2005–2007) period examining their entrepreneurial behavior. They found 165 individuals chose entrepreneurship as a career choice. In addition, parental experience played a role as a predictor of this type of initiative resulting in a positive correlation between school age young adults with entrepreneurial intention and parental experiences in business. Lastly, Ali and Tariq (2010) studied entrepreneurial attributes of postgraduate students in a Pakistani university. They collected data from 521 students of 30 departments of Islamic University. The analysis was done using descriptive statistical techniques analyzing self-efficacy, efficiency, commitment and intention toward entrepreneurship. They found students had a positive intention toward entrepreneurship and that the parent's education played a minor role as did occupation and income. Middle class respondents were more likely toward entrepreneurship than lower and high class. Based on the above literature, the following hypotheses have been constructed about family capital and career intention.

H1: There is significant relationship between family size and career choice.

H2: There is significant relationship of father's occupation and career choice.

H3: There is significant association of father's income and career intention.

2.2. Social capital

Social capital is recognized as an important aspect of the developing and maximizing of entrepreneurial activity. Several researchers have identified this aspect, and across the globe interest in the importance of this area is growing. For example, Campanella et al. (2013) conducted an exploratory study in Italy on the socio-cultural characteristics and financing related to youth entrepreneurship. Their research examined how aspects of the academic educational path were influenced by family culture and university infrastructure in developing youth entrepreneurship. A survey was conducted with 1,174,508 graduates and 550 faculty members. Linear regression analysis (OLS) was used to analyze data. This study found that in order to encourage entrepreneurship, it was important to promote the acquisition of work experiences as well as improving the university infrastructure to facilitate this type of change. The study found a significant relationship between entrepreneurial success and the development of innovative new firms growing the rate of business opportunities. There was also a negative relationship between the number of years toward completing the degree and the survival rate of new business activities. This study is helpful in providing the groundwork for

further examining this relationship and whether these socio-cultural aspects discovered in Italy will remain salient with students in Pakistan.

When looking specifically at social capital in India three studies are highlighted. The first was by Mosen, Prashant, and Dienes (2011) who examined the occupational transition to entrepreneurship in India using 3,295 individuals from 23 administrative regions. They studied regional and geographical factors effecting occupational transition to self-employment through GDP per capita and urban/rural location difference comparing India and other developed countries. They found that regional self-employment was lower than past or future transitions and for urban and rural areas GDP per capita was only related to real transition. The study found similarities between India and other developing economies.

In a second study conducted in Uttarkand, India, Sharma and Madan (2014) found after examining 530 students in their final year of school they found a negative relationship between past self-employment and student entrepreneurship. They did not, however, find a relationship between work experience and interest in entrepreneurship with highly intelligent students.

Examining this concept further, Marshall and Oliver (2005) conducted research about the entrepreneurial process in India by taking into account data gathered from 65 respondents highlighting their personal information and community demography and how these factors related to their levels of social capital while engaging in small businesses. Upon examining the data through excel and logistic regression they found the factors descriptive of human capital as the most significant predictors of engaging in the business relationship.

These studies recognize the importance of self-employment in entrepreneurial activity and since so few studies on this topic are related directly to Pakistan, this study will use this information to see if Pakistan similar to India related to importance of social capital on increasing entrepreneurial activity.

Similar to Marshall and Oliver (2005), Tong, Tong, and Loy (2011) also studied the determinants of entrepreneurship in students using a university in Malaysia. Using multiple regression to analyze the data, they also found that achievement was significantly influenced by entrepreneurial intention and the desire for business independence. To further explain the human capital factors they identified the need for achievement, and having an entrepreneurial background as predictors for increased entrepreneurial intention.

To further identify the factors central to developing human capital and the dominant incentives for encouraging entrepreneurial activity, Kaijun and Sholihah (2015) conducted a comparative study. Questionnaires were distributed randomly to business students in China and Indonesia (109 students and 110 students, respectively). They identified several variables that lead to entrepreneurship including: subjective norms, perceived behavior control, entrepreneurial intention and entrepreneurial education. These authors found a significant relationship between perceived behavior and entrepreneurial education in China with the most significant association linking entrepreneurial education and attitudes and perceived behavior control and entrepreneurial intention for the students of Indonesia.

Buli and Yesuf (2015) studied the factors influencing entrepreneurial intentions using students of technical-vocational education and training of Ethiopia. They selected 107 students to fill out questionnaires and applied linear and hierarchical regression to test the hypotheses. They used two variables from the theory of planned behavior, outlining that the attitude toward behavior and perceived behavior control would enhance entrepreneurship. They found that the availability of resources and opportunities initiated entrepreneurial intention and education on the topic played an important role in decision-making, communication skills, and management of resources.

When looking more specifically at the link to community, Roxas and Azmat (2014) analyzed the link of community social capital and entrepreneurship in the Philippines. They conducted a survey with 496 respondents from rural areas of the country and found that community social capital positively affected entrepreneurial intention through an individual's perceived self-efficacy, perceived desirability, and social norms. This was further supported earlier in the work of Krekar and Coric (2013) who also conducted research on entrepreneurial self-efficacy. When questionnaires were completed by 169 business management students in their final year, they found that entrepreneurship was dynamic and changed with time and experience. These significant changes were related to developing the knowledge and skills that foster entrepreneurship. Skills and knowledge about entrepreneurship varied more than general entrepreneurial self-efficacy.

Friedman and Krackhardt (1997) examined career mobility through social capital using lower returns theory and education for Asian immigrants and US born Asians. The study was conducted at a computer services division of a major US investment bank. The survey was first conducted in Asian employees from 82 respondents and another was conducted by high score Asians and non-Asian workers; out of 61 respondents 22 had an MA degree and others had the BA degree. The researcher found that European Americans got more returns to education when compared to Chinese and Indians in the United States. Education also transferred to team work for the European Americans.

In identifying the factors central to the transition from school to work, Kovacheva (2004) found that family social capital in transition of students from school to work in Bulgaria having a support network assisted in entrepreneurial success. Neiva (2015) also examined the factors central to this transition but looked only at women in the Kingdom of Saudi Arabia. Using qualitative research to evaluate prioritized activities by social entrepreneurs, she identified the problems these women entrepreneurs faced in the strategic approaches that were used to overcome problems. She collected data from 30 Saudi women who were engaged in entrepreneurship, and 30 from those women who were affiliated with academia and stakeholders of government and other organizations that involved social entrepreneurship. She found training and development in social entrepreneurship was critical providing education through financing and technical support. She added that social women entrepreneurship is promoted in schools, universities, and vocational-training through formal and informal education which helps female students learn about the possibility while teaching the necessary business skills.

Nga and Shmuganathan (2010) studied the personality traits and demographic factors influencing social entrepreneurship for startup intentions in Malaysia. They used 181 college and undergraduate university students of HEI for data collection and analyzed data through multiple regression models. They found in personality traits agreeableness, openness, and conscientiousness had a positive impact on social entrepreneurship. Five factors were identified that influenced the entrepreneurial spirit, and agreeableness positively influences social entrepreneurial dimensions like social vision, sustainability, social networks, innovation, and financial returns. For future research, these authors stressed the importance of awareness, creativity, and good character development for developing personality traits among business students.

Agyemang, Deh, and Asuamah (2013) studied the socio-demographic factors important in shaping the decision-making of a business start-up. They conducted quantitative research to evaluate the correlation of socio-demographic and factor influencing business startup. They collected data from 136 respondents of marketing students from Sunyani Polytechnic (a public tertiary institution in the Brong Ahafo Region of Ghana) and analyzed the data by using χ^2 tests. They found that socio-demographic variables played a significant role in shaping decisions toward starting your own business. Students also were motivated by other factors such as lecturers, friends, media and other business people.

In the view of the above discussion and following the literature, the following four hypotheses have been constructed on social capital and career choice:

H4: There is a significant association between family size and career intention.

H5: There is significant relationship between social networks and career intention.

H6: There is significant relationship between professional and recreational network and career choice.

H7: There is significant relationship of supporting networks and career intention.

In summary, the literature is rich with international examples of the importance of financial and social capital in developing entrepreneurial support. Furthermore, it is clear that this activity is central for creating new business opportunities and helping to address unemployment. In all of these studies, regardless of country, it appears that developing this spirit is important for a countries' growth. There was only one study found that related to Pakistan directly, and these authors (Ali & Tariq, 2010) did not find a positive link between family capital involving the parent's education, occupation, and income. To explore the concept of social capital and family capital, this study highlights the importance of social and family capital as a means to increase the financial benefits that foster human resource potential. This study uses these previous studies as a basis for identifying what is needed to build this activity in Pakistan.

Getting involved in entrepreneurship activities is not easy and is determined by many factors like size of household, father's occupation, father's income, network of friends, society perception about entrepreneurship, and many others. This study takes into consideration the previous research and such factors as social and family capital and tests their linkages with the career intension as entrepreneur of graduating University students in Gilgit Baltistan.

3. Methodology

3.1. Sample

The study was conducted in 2015–2016 and respondents were recruited from a major higher education university in Pakistan with approximately 3,000 students. Three departments were included in the study, the Department of Business Management, Department of Economics and Department of Computer Sciences which either directly or indirectly provided courses and information on business education. The students in these departments were purposively selected as they were most likely to have interest in a career that involves entrepreneurial activities upon graduation. The sample resulted in 200 students and the distribution is provided in Table 1. The frequency and percentage of respondents from each department is provided in Table 2, with 38 students selected from Bachelor of Business Administration (BBA) in their final year of educational studies, 50 in MBA, 79 in Economics, and 33 students from the Computer Science Department. The final sample resulted in 200 students, 118 (59%) were males and 82 (41%) were females that agreed to participate. Table 3 shows the frequency and percentage of respondents on the basis of gender.

Table 1. Sample distribution

Area	Economics	MBA	BBA	Computer science
Respondent				
N = 200	79	50	38	33

Table 2. Descriptive department-related statistics

Department	Frequency	%
BBA	38	19.0
MBA	50	25.0
ECO	79	39.5
Comp Science	33	16.5
Total	200	100

Table 3. Descriptive statistics of gender

Department	Frequency	%
Male	118	59.0
Female	82	41.0
Total	200	100

3.2. Instrument and materials

A self-administrated questionnaire was designed that contained a variety of questions designed to gather information that could be related to the specific objectives of the study. To start the process, demographic information was gathered including the respondents: area of study and gender. Other questions asked the respondents' father's occupation, income, and age as well as the family size. Recoding the respondent's family size (members in the family) was categorized into nominal level categories ranging from 1-4, 5-9, 10-14 and 15 and above. Students were also asked to their career choices and whether they were actively seeking a job upon graduation and what type of entrepreneurial activities were of interest.

For the measurement of social capital, 20 statements were developed to examine the social status of individual. These questions were adapted from the sociological capital assessment developed by (Roberts, 2010). The questions selected fell into the following areas: family networks, social, professional and recreational networks, entrepreneurial role models and support networks. Some of the questions asked included: My parents are really encouraging me to pursue my own business; my friends are encouraging me to pursue small business ownership, and so on. To measure social capital each of the statements were measured with a five-point Likert scale format ranging from strongly disagree to strongly agree. Each respondent was asked to rate their opinion related to the question asked. To assess the instrument's reliability, it was found that when using Cronbach's α , which measures how closely the items were related as a group, the internal consistency measure was equal to .76 indicating that the internal consistency of the questionnaire is adequate.

3.3. Procedure

Once permission was obtained from the university, questionnaires were distributed to students in their final year of study. Faculty teaching the courses agreed to allow the researcher to contact students in the programs to ascertain interest in completing the study. Once permission was granted, a recruitment advertisement was read, and it was explained to students that participation in this study was voluntary and would not affect their grades in any course. It was explained that participation in the study would take approximately 15-20 min to complete the study questionnaires and consent was obtained. As part of the agreement to participate, participants were told the information they gave would only be shared in any materials or future publications in a de-identified form and their actual names would be protected.

Family size was then compared to the scaled questions related to career intentions. The same procedure was done with other variables like father's occupation and family income and these

variables were related to the career choice of the students. The father’s occupation was categorized in different groups recognizing whether they were government employees or “private employees,” Other categories identified were whether the father had technical or job-related skills such as an electrician, carpenter, mechanic, or farmer. In last group we categorized “others” for those fathers who were retired from any of occupation. Once the variables were identified, they were compared to the career intentions of each respondent. Also compared was the father’s annual income with career intentions. Once the fathers’ income was characterized into “low income” “middle income” and “high income,” comparisons were made to the variable career choices. The low income group included those parents who had less than Pak Rs (Pakistan Rupee is the currency used in Pakistan), 300,000 per annum. The middle income grouping included those people that had an annual income between Pak Rs. 300,000 to 600,000 and the high income group included the respondents whose parent’s annual income was greater than Pak Rs. 600,000. Once identified these income groupings were tested to determine the association between income levels and career choices.

The social capital was measured by using family networks, social networks, entrepreneurial role model, professional and recreational network and supporting networks (Agyemang et al., 2013; Sharma & Madan, 2014). These components of social capital were then compared with the career choice of the student respondents. Data were analyzed using descriptive tests such as χ^2 and association tests to look at the relationships between these variables.

4. Results

4.1. Family capital

4.1.1. Family size and career choice

The first hypothesis tested related to whether there was a significant relationship between family size and career choice. Table 4 shows cross tabulation of two grouping values of “career choice” and how this choice relates to family size. Family size for each respondent was categorized into four groups and career preferences for each grouping were examined. Out of 200 respondents, 11 respondents had a family size of 1–4 members, 137 participants reported 5–9 members, 41 fell into the 10–14 category, and 11 participants reporting having 15 or members in their family household.

Table 4 cross-tabulated family size with career choice after graduation and showed that the majority of the respondents ($N = 76$) wanted to start a new business after completing their degree, whereas, 54 students’ primary interest was to find a suitable job and 56 wanted to continue their education. Lastly, 14 of the respondents remained undecided. When testing the association between career choice as starting a new business (entrepreneurship) and family size no significant results were obtained (see Table 5). Lastly, in all the cases where χ^2 tests were applied there was no significant relationship between “family size” and “career choice”. Therefore, that there was a significant relationship between family size and career choice did not show any statistical significance and was not supported in this study.

Table 4. Cross tabulations: “career choices after completing degree” with family size

Career choice after completing degree	Family size				Total
	1–4	5–9	10–14	15 and above	
Start a new business	2	55	16	3	76
Seek a suitable job	6	34	11	3	54
Go to higher studies	3	39	10	4	56
Not yet decided	0	9	4	1	14
Total	11	137	41	11	200

Table 5. Family size and career choice after completing degree

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	6.245	9	.715
Likelihood ratio	6.606	9	.678
Linear-by-linear association	.162	1	.687
Number of valid cases	200		

4.1.2. Father’s Occupation and Career Intention after Completing Degree

The second hypothesis examined whether there was significant relationship of father’s occupation and career choice. Tables 6 and 7 examined this relationship identifying the father’s occupation and comparing it with the career choice of the student. To identify the father’s occupation the following categories were identified: “government employees,” “private employees,” “businessperson,” “other self-employment,” and a non-specified category labeled “other.” In Table 7 father’s employment was cross-tabulated with the four categories of career choice and no significance was determined. Results of χ^2 test indicated that no significant relationship was found between the father’s occupation and career intension of the students (χ^2 test = 7.068 with $p = .853$ with $df = 12$). Therefore, the hypothesis “There is significant relationship of father’s occupation and career choice” was rejected.

4.1.3. Father’s income and career choice

The third hypothesis tested examined whether there was a significant association of father’s income and career intention. The study examined the relationship between the father’s income and career intention. Father’s income was matched into several income categories ranging from low ($n = 51$), middle ($n = 98$), and high ($n = 51$) income (See Table 8). From the low income group 21 students wanted to start a new business while 33 students from middle income group, and 22 from high income groups wanted to start their own business. The association between father’s income and career choice of students when measured through χ^2 tests revealed that the relationship between these variables was not found to be significant (See Table 9).

Table 6. Career choice and father’s occupation

Career choice after completing degree	Father’s occupation					Total
	Govt emp	Private emp	Business	Other self employed	Others	
Start a new business	15	8	27	17	9	76
Seek a suitable job	19	3	15	13	4	54
Go to higher studies	16	9	19	6	6	56
Not yet decided	2	4	2	4	2	14
Total	52	24	63	40	21	200

Table 7. Father’s occupation and career preference after completing degree

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	7.068	12	.853
Likelihood ratio	6.873	12	.866
Linear-by-linear association	.373	1	.542
Number of valid cases	200		

Table 8. Father’s income and career intention after completing degree

Career choice after completing degree	Father’s income			Total
	Low	Middle	High	
Start a new business	21	33	22	76
Seek a suitable job	13	30	11	54
Go to higher studies	11	31	14	56
Not yet decided	6	4	4	14
Total	51	98	51	200

Table 9. Father’s income and career choice

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	4.423	6	.620
Likelihood ratio	4.498	6	.610
Linear-by-linear association	.712	1	.678
Number of valid cases	200		

4.2. Social capital

4.2.1. Social capital and career choice

The effect social capital has on entrepreneurship was measured through the relationship and connections the respondent reported with family networks, social networks, professional and recreational networks, and entrepreneurial role models. Furthermore, this relationship was correlated directly with the type of social network and its relationship with entrepreneurial career choice. All of the social capital indicators (Hypotheses 4–7) were found to have a significant relationship with career choice. These results are supported as indicated in Table 10, there was a significant relationship found between family networks and the career choice of the students ($\chi^2 = 71.913, p = .000, df = 36$), thereby supporting the hypothesis that there is significant association between family networks and career intention. From these results, it can be concluded that family networking strongly influenced the career choice of the students. Upon further examining the influence of social capital on entrepreneurial career choices, it was found that a statistically significant relationship was noted between social networks and career choice ($\chi^2 = 76.75, p = .011, df = 51$) (see Table 11).

Table 10. Family networks and career choice

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	71.913	36	.000
Likelihood ratio	73.576	36	.000
Linear-by-linear association	22.314	1	.000
Number of valid cases	200		

Table 11. Social networks and career choice

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	76.745	51	.011
Likelihood ratio	91.158	51	.000
Linear-by-linear association	14.665	1	.000
Number of valid cases	200		

Table 12. Professional and recreational networks and career choice

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	55.076	36	.022
Likelihood ratio	68.901	36	.001
Linear-by-linear association	15.881	1	.000
Number of valid cases	200		

Table 13. Entrepreneurial role model and career choice

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	73.024	39	.001
Likelihood ratio	85.279	39	.000
Linear-by-linear association	12.806	1	.000
Number of valid cases	200		

Table 14. Supporting networks and career choice

	Values	df	Asymp. sig. (2-sided)
Pearson χ^2	95.787	78	.084
Likelihood ratio	108.312	78	.013
Linear-by-linear association	10.516	1	.001
Number of valid cases	200		

When testing the hypothesis (H6) professional and recreational networks have a significant relationship with the career choice of students, it was also found to be statistically significant ($\chi^2 = 55.08$, $p = .022$, $df = 36$); and, thus the hypotheses was supported (see Table 12).

When measuring the importance of social capital on initiating the entrepreneurial spirit, it was found a significant relationship between having an entrepreneurial role model and the career choice of the respondents ($\chi^2 = 73.02$, $p = .001$, $df = 39$). See Table 13.

Lastly the relationship between networking supports and career choice of respondents was also tested. The results revealed that networking supports have a strong influence on the career choice of the students ($\chi^2 = 95.787$, $df = 78$, and $p = .08$) and thus supporting networks and career choice was supported (see Table 14).

5. Discussion

5.1. Family capital

The first three hypotheses were not supported in this study and there was no significant relationship found between family size and career choice; the father's occupation and career choice; and, the father's income and career intention. Similar to the study by Akanbi (2013) who examined the determinants of entrepreneurship intention among vocational-based college of education through family factors, personality traits and self-efficacy in Nigeria, this study also did not find any significant impact of family income on entrepreneurial intension of the students. Similar findings were also found by Ali and Tariq (2010) who had conducted such study in southern Pakistan where they found the father's income and father's occupations did not have any influence on entrepreneurial intension of the students. Kim, Aldrich, and Keister (2003), Mueller (2006), Sørensen (2007) and Thrikawala (2011) also found no significant association between family income and entrepreneurial intension of the students. However, the findings of this study are contradictory with the findings of McElwee and

Al-Riyami (2003), Carr and Sequeira (2007), and Lindquist, Sol, and Van Praag (2012) where those studies found that entrepreneurial parents strongly influenced their children to seek an entrepreneurial career.

Although it is not clear why there was an insignificant relationship between family capital and career choice, it may be related to the simple fact that most of the people living in the rural areas of Pakistan, especially Gilgit Baltistan (the study area) lack educational training and skill to enhance this type of endeavor. Therefore, uneducated parents may not be able to guide their children about career choices due to their own lack of career information. This would require their educated children to get this type of information and career consultation from their friends and teachers, rather than their fathers. The limited business opportunities within the poor socio-economic business environment in the rural area could also be another explanation. Lastly, in the past, Pakistan has fallen victim to terrorism and the family system may fear that if their children start a new business, it would not be able to flourish due to the unstable environment. Thus this type of visibility might be discouraged. Recently, however, in the rural and urban areas alike of Pakistan the law and order situation continues to improve significantly providing an environment more open to this type of development.

5.2. Social capital

The statistical results of χ^2 reveal that all the four hypotheses (H4–H7) of social capital and career intension were supported as all of the measures of social capital had a significant influence on entrepreneurship career of students. Similar to the previous studies, social capital was recognized as an important aspect of the developing and maximizing of entrepreneurial activity (Campanella et al., 2013; Marshall & Oliver, 2005; Monsen et al., 2011; Tong et al., 2011). In this study, the career choice of students showed that 38% of students wanted to be entrepreneurs, while 28% students preferred extending their studies with 27% of the respondents showing the greatest interest in seeking existing employment opportunities; whereas, only 7% had yet to decide about their career choice. In this study, the results support that of the 200 students surveyed the majority had interest in becoming an entrepreneur and this out-favored other types of career-related job paths.

Although exact comparisons are not possible due to differences in research design and implementation, the results from this study found similar results to the four studies completed in India (Marshall & Oliver, 2005; Monsen et al., 2011; Sharma & Madan, 2014). Similar to Marshall and Oliver (2005) this study also found the factors descriptive of human capital as the most significant predictors of engaging in the business relationship. This study and those before it, all recognize the importance of self-employment in entrepreneurial activity and the findings in Pakistan were similar to data gathered in India stressing the importance of social capital on increasing entrepreneurial activity.

Lastly, when looking more specifically at the link to community, this study similar to Roxas and Azmat (2014) and Krekar and Coric (2013) found that there was a clear connection to supporting networks and career intention. Future research may need to further examine as Krekar and Coric did whether entrepreneurship was actually a dynamic activity that could change significantly just based on time and experience. As knowledge and skills of the students develop, their ideas for future activity also develop.

Lastly, when identifying the period from school to work, Kovacheva (2004), similar to this study found that having a support network assisted in entrepreneurial success. These findings were similar to Roxas and Azmat (2014) who also found this link to social capital. Social capital was most probably linked in this and previous studies because social networks can bring opportunities for economic and social activities that other students without these connections don't have. These networks can influence entrepreneurship because the individual can get access to social relationships along with the benefits and trust that facilitate co-operation and co-ordination to act accordingly. Having social

capital allows for increased opportunities, with greater market awareness and access to resources. Lastly, family networks and friends play an important role in starting a business because they not only provide financial resources and information, but also gives encouragement to being an entrepreneur.

6. Conclusion and recommendations

This study investigates and stresses the role that social capital can have on the youth career choice as entrepreneur in a rural area in Pakistan. After an extensive search of the literature it became clear that this topic has been studied across the globe and remains central for developing increased employment opportunities as entrepreneurial activities offer a pathway to success. Learning the variables that are most indicative of entrepreneurial development can provide the basis for change and reduction of unemployment. The study by Campanella et al. (2013) provides interesting fuel for thought and future research in that now social capital has been linked to enterpreneurial development in numerous studies across what changes are needed in the academic educational path or structure in order to continue to develop entrepreneurial gains. Efforts to develop new innovative firms may be central to the survival rates of new business activities.

This study measured the opinions of 200 students in a university setting and stressed the importance of not only recognizing the importance of social capital in making career choices, but how it can directly influence the entrepreneurial spirits of the students served. Although family-related variables such as family size, father's occupation, and father's income were not found influential in this study, it is recommended that more research in this area be conducted. Based on the results of this study, future educational efforts may benefit from taking into account the influences that social capital can have on the entrepreneurial spirit of its graduates and how to use and incorporate this into the curriculum shared. Another interesting result related to those that seek additional education to support their entrepreneurial spirit, more attention to this factor may be given to not only encouraging this type of development but also supporting the educational efforts that come after the traditional educational; experience. In closing, future research needs to look carefully at how this type of education maintains over time and how to use the information provided in this study to support future research.

Funding

The authors received no direct funding for this research.

Author details

Amjad Ali¹

E-mail: amjad.eco@kiu.edu.pk

Shafiq Ahsan²

E-mail: shafiq_ahsan@yahoo.com

Sophia F. Dziegielewski³

E-mail: sophia.dziegielewski@ucf.edu

¹ Department of Social Sciences, Karakoram International University, Hunza Campus, Gilgit Baltistan, Pakistan.

² Department of Economics, Karakoram International University, Gilgit Baltistan, Pakistan.

³ School of Social Work, College of Health and Public Affairs, University of Central Florida, Orlando, FL, USA.

Citation information

Cite this article as: Social and family capital and youth career intension: A case study in Pakistan, Amjad Ali, Shafiq Ahsan & Sophia F. Dziegielewski, *Cogent Business & Management* (2017), 4: 1362838.

References

Agyemang, I. K., Deh, I. Y., & Asuamah, S. Y. (2013). Socio-demographics effect in factors that shape decision to start own business. *Journal of Small Business and Entrepreneurship Development*, 1, 34–41.

Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50, 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)

Akanbi, S. T. (2013). Familial factors, personality traits and self efficacy as determinants of entrepreneurial intention amongs vocational based college of education in Oyo State, Nigeria. *The African Symposium*, 13, 66–76.

Aldrich, H. E., & Cliff, J. E. (2003). The pervasive effects of family on entrepreneurship: Toward a family embeddedness perspective. *Journal of Business Venturing*, 18, 573–596. [https://doi.org/10.1016/S0883-9026\(03\)00011-9](https://doi.org/10.1016/S0883-9026(03)00011-9)

Ali, A., & Tariq, R. U. (2010). Entrepreneurial attributes among postgraduate students of a Pakistani university. *US-China Educational Reveiw*, 7, 66–77.

Baron, R. A., & Shane, S. A. (2008). *Entrepreneurship: A process perspective* (2nd ed.). London: Thomson Learning.

Buli, B. M., & Yesuf, W. M. (2015). Determinants of entrepreneurial intentions: Technical-vocational education and training students of Ethiopia. *Education Training*, 57, 891–907. <https://doi.org/10.1108/ET-10-2014-0129>

Burt, R. S. (1992). *Structural holes: The social structure of competion*. Cambridge, MA: Harvard University Press.

Campanella, F., Della Peruta, M. R., & Del Giudice, M. D. (2013).

The role of sociocultural background on the characteristics and the financing of youth entrepreneurship. An exploratory study of university graduates in Italy. *Journal of the Knowledge Economy*, 4, 244–259. <https://doi.org/10.1007/s13132-013-0157-4>

Carr, J. C., & Sequeira, J. M. (2007). Prior family business exposure as intergenerational influence and entrepreneurial intent: A theory of planned behavior approach. *Journal of Business Research*, 60, 1090–1098. <https://doi.org/10.1016/j.jbusres.2006.12.016>

- Cetindamar, D., Gupta, V. K., Karadeniz, E. E., & Egrican, N. (2012). What the numbers tells: The impact of human, family and financial capital on women and men's entry to entrepreneurship in Turkey. *Entrepreneurship and Regional Development*, 24, 29–51.
<https://doi.org/10.1080/08985626.2012.637348>
- Chang, E. P., Memili, E., Chrisman, J. J., Kellermanns, F. W., & Chua, J. H. (2009). Family social capital, preparedness, and start-up decisions: A study of Hispanic entrepreneurs in New England. *Family Business Review*, 22, 279–292.
<https://doi.org/10.1177/0894486509332327>
- Chen, M., & Wang, M. (2008). Social networks and new venture's innovative capability: The role of trust within entrepreneurial teams. *R&D Management*, 38, 253–263.
- Coleman, J. (1988). Social capital in creation of human capital. *American Journal of Sociology*, 94, S95–S120.
<https://doi.org/10.1086/228943>
- Colombier, N., & Masclet, D. (2008). Intergenerational correlation in self employment: Some further evidence from French ECHP data. *Small Business Economics*, 30, 423–437.
<https://doi.org/10.1007/s11187-007-9059-9>
- Friedman, R. A., & Krackhardt, D. (1997). Social capital and career mobility: A structural theory of lower returns to education for asian employees. *The Journal of Applied Behavioral Science*, 33, 316–334.
<https://doi.org/10.1177/0021886397333004>
- Hanson, M., & Lynch, E. (1992). Family diversity: Implications for policy and practice. *Topics in Early Childhood Special Education*, 12, 283–306.
<https://doi.org/10.1177/027112149201200304>
- Holtz-Eakin, D., Joulfaian, D., & Rosen, H. S. (1994). Sticking it out: Entrepreneurial survival and liquidity constraints. *Journal of Political Economy*, 102, 53–75.
<https://doi.org/10.1086/261921>
- Kaijun, Y., & Sholihah, P. I. (2015). A comparative study of the Indonesia and Chinese educative systems concerning the dominant incentives to entrepreneurial spirit (desire for a new venturing) of business school Students. *Journal of Innovation and Entrepreneurship*, 4(1), 1–16.
- Kim, P. H., Aldrich, H. E., & Keister, L. A. (2003, August). *If I were rich? The impact of financial and human capital on becoming an ascent entrepreneur*. Presented in Annual Meeting of the American Sociological Association, Atlanta, GA.
- Kovacheva, S. (2004). The role of family social capital in young people's transition from school to work in Bulgaria. *Sociologija*, 46, 211–226.
<https://doi.org/10.2298/SOC0403211K>
- Krekar, I. M., & Coric, G. (2013). Changes in entrepreneurial self-efficacy since completion of entrepreneurial studies. *Procedia - Social and Behavioral Sciences*, 89, 74–78.
<https://doi.org/10.1016/j.sbspro.2013.08.812>
- Lindquist, M. J., Sol, J., & Van Praag, M. (2012). *Why do entrepreneurial parents have entrepreneurial children?* Discussion Paper series, Forschungsinstitut zur Zukunft der Arbeit. No. 6740. Retrieved from <https://www.econstor.eu/bitstream/10419/62410/1/720521637.pdf>
- Marshall, M. I., & Oliver, W. N. (2005). *The effect of human, financial and social capital on youth entrepreneurship in Indiana*. Paper prepared for presentation at the Allied Social Science Associations Annual Meeting, Philadelphia, PA, January 7–9.
- McElwee, G., & Al-Riyami, R. (2003). Women entrepreneurs in Oman: Some barriers to success. *Career Development International*, 8, 339–346.
<https://doi.org/10.1108/13620430310505296>
- Monsen, E., Prashant, M., & Dienes, C. (2011). Entrepreneurship in India; The question of occupational transition. *Small Bus Econ*, 39, 359–382.
- Mueller, P. (2006). Entrepreneurship in the region: Breeding ground for nascent entrepreneurs? *Small Business Economics*, 27, 41–58.
<https://doi.org/10.1007/s11187-006-6951-7>
- Neiva, F. O. (2015). Social women entrepreneurship in the Kingdom of Saudi Arabia. *Journal of global entrepreneurship research*, 5(11), 1–33.
- Nga, J. K., & Shmuganathan, G. (2010). The influence of personality traits and demographic factors on social entrepreneurship start up intentions. *Journal of Business Ethics*, 95, 259–282.
- OECD. (2001). *The well-being of nations: The role of human and social capital*. Paris: Author.
- Roberts, L. P. (2010). *Am I an entrepreneur - self assessment package*. Calgary: Goforth Institute.
- Roxas, H. B., & Azmat, F. (2014). Community social capital and entrepreneurship: Analyzing the links. *Community Development*, 45, 134–149.
<https://doi.org/10.1080/15575330.2014.880495>
- Seo, Y. J., & Choi, Y. K. (2013, January). The role of human capital in entrepreneurial process of IT venture in Korea. *Community Development*, 7, 199–208.
- Sharma, L., & Madan, P. (2014). Effect of individual factors on youth entrepreneurship—a study of uttarkhand stste, India. *Journal of Global Entrepreneurship Research*, 2(3), 1–17.
- Sørensen, J. B. (2007). Closure and exposure: Mechanisms in the intergenerational transmission of self-employment. *Research in the Sociology of Organizations*, 25, 83–124.
[https://doi.org/10.1016/S0733-558X\(06\)25003-1](https://doi.org/10.1016/S0733-558X(06)25003-1)
- Thompson, E., Asarta, C., Zhang, Z., & LeMarie, F. (2013). The role of parental experiences in entrepreneurial choice among adults. *Bureau of Business Research*, 1–14.
- Thrikawala, S. S. (2011). The determinants of entrepreneurial intention among academics in Sri Lanka. *Economics & Finance Research: International Proceedings of Economics Development & Research*, 4, 454–468.
- Tong, X. F., Tong, D. Y., & Loy, L. C. (2011). Factors influencing entrepreneurial intention among university students. *International Journal of Social Science and Humanity Studies*, 3, 487–496.



© 2017 The Author(s). This open access article is distributed under a Creative Commons Attribution (CC-BY) 4.0 license.

You are free to:

Share — copy and redistribute the material in any medium or format

Adapt — remix, transform, and build upon the material for any purpose, even commercially.

The licensor cannot revoke these freedoms as long as you follow the license terms.

Under the following terms:

Attribution — You must give appropriate credit, provide a link to the license, and indicate if changes were made.

You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.

No additional restrictions

You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits.

