

FACTORS OF SUSTAINABILITY FOR FIRST GENERATION ENTREPRENEURS: A COMPREHENSIVE STUDY OF LITERATURE

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ABSTRACT

The purpose of this paper is to synthesize existing literature Review on First Generation Entrepreneurs and study the factors of sustainability. The present paper is the systematic review and analysis of literature to find the sustainability factors of First-Generation Entrepreneurs in different industrial sectors. The paper talks about the outcome of changing market scenarios on sustainability of the entrepreneurs' venture, with an attempt to study those variables that affect the factors of entrepreneurial sustainability. The research gap identified is that, there was no such research carried out on sustainability factors of first generations entrepreneurs. The Practical Implications of the study will help to know about the different factors of sustainability of first-generation entrepreneurs which have certain effects on different business sectors.

KEYWORDS: *Entrepreneurs, Factors of Sustainability, First-Generation, Sustainability.*

Introduction

The study on first generation entrepreneurs focuses on their struggle for setting up their business without the support of their family members or any support system and values on the creative thinking of the person who sets up a business or businesses, taking on financial risks in the hope of profit.

Entrepreneurship has traditionally been defined as the process of designing, launching and running a new business, which typically begins as a small business, such as a startup company, offering a product, process or service for sale or hire, and the people who do so are called 'entrepreneurs'. It has been defined as the capacity and willingness to develop, organize, and manage a business venture along with any of its risks in order to make a profit. While definitions of entrepreneurship typically focus on the launching and running of businesses, due to the high risks involved in launching a start-up, a significant proportion of businesses have to close, due to a "lack of funding, bad business decisions, an economic crisis -- or a combination of all of these" or due to lack of market demand.

As the First Generation Entrepreneurs do not have previous industrial experience, they carry on their industrial activities on trial and error basis involving wastage of time and energy, and material resources. It is evident from the experience of many first generation entrepreneurs that they fall sick in the take-off stage itself. Many entrepreneurs manage the take-off stage and fall sick later on. It is also not uncommon that many small scale industrial units after a successful running for so many years may also fall sick due to a sudden competition, non-availability of incentives and concessions and lack of financial and marketing support. Many industrial units, which are apparently healthy, may be within the area of sickness if they are subjected to critical evaluation by supplying certain yardsticks, which tend to measure the financial soundness.

Traditionally, an **entrepreneur** has been defined as "a person who starts, organizes and manages any enterprise, especially a business, usually with considerable initiative and risk". "Rather than working as an employee, an entrepreneur runs a small business and assumes all the risk and

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reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes."Entrepreneurs tend to be good at perceiving new business opportunities and they often exhibit positive biases in their perception (i.e., a bias towards finding new possibilities and seeing unmet market needs) and a pro-risk-taking attitude that makes them more likely to exploit the opportunity.

An entrepreneur is typically in control of a commercial undertaking, directing the factors of production—the human, financial and material resources—that are required to exploit a business opportunity. They act as the manager and oversee the launch and growth of an enterprise. Entrepreneurship is the process by which an individual (or team) identifies a business opportunity and acquires and deploys the necessary resources required for its exploitation. The exploitation of entrepreneurial opportunities may include actions such as developing a business plan, hiring the human resources, acquiring financial and material resources, providing leadership, and being responsible for the venture's success or failure. Economist Joseph Schumpeter (1883–1950) stated that the role of the entrepreneur in the economy is "creative destruction"—launching innovations that simultaneously destroy old industries while ushering in new industries and approaches. "Entrepreneurial spirit is characterized by innovation and risk-taking." While entrepreneurship is often associated with new, small, for-profit start-ups, entrepreneurial behavior can be seen in small-, medium- and large-sized firms, new and established firms and in for-profit and not-for-profit organizations, including voluntary sector groups, charitable organizations and government. For example, in the 2000s, the field of social entrepreneurship has been identified, in which entrepreneurs combine business activities with humanitarian, environmental or community goals.

Entrepreneurship typically operates within an entrepreneurship ecosystem which often includes government programs and services that promote entrepreneurship and support entrepreneurs and start-ups; non-governmental organizations such as small business associations and organizations that offer advice and mentoring to entrepreneurs (e.g., through entrepreneurship centers or websites); small business advocacy organizations that lobby the government for increased support for entrepreneurship programs and more small business-friendly laws and regulations; entrepreneurship resources and facilities (e.g., business incubators and seed accelerators); entrepreneurship education and training programs offered by schools, colleges and universities; and financing (e.g., bank loans, venture capital financing, angel investing, and government and private foundation grants). The strongest entrepreneurship ecosystems are those found in top entrepreneurship hubs such as Silicon Valley, New York City, Boston, Singapore, Berlin, and other such locations where there are clusters of leading high-tech firms, top research universities, and venture capitalists.^[14] In the 2010s, entrepreneurship can be studied in college or university as part of the disciplines of management or business administration.

Objectives of Review of Literature

- To review and synthesize existing literature on Review on First Generation Entrepreneurs and their venture sustainability in Service Sectors.
- To understand the theoretical development of adoption phenomenon by studying the publication of various researchers.
- To identify inconsistencies: gaps in research, conflicts in previous studies, open questions left from another research.

Process of Review

This study aims to examine study of sustainability of new generation entrepreneurs. different academic backgrounds and perspectives. The present research aims to bring light to the topic of **A Study on First Generation Entrepreneurs and their venture sustainability in Service Sectors** by understanding which is the most influential academic so far, where has been published and by whom.

Table 1: Summary of Review on First Generation Entrepreneurs and their Venture Sustainability in Different Sectors

A Theory, Author & Year	Title	Construct	Major Contribution
A competitive resource market it is not only very hard to the new entrepreneurs to get interest and to choose the	Factors Influencing the First Generation Entrepreneurs:	Mistakes in their judgment are part of the entrepreneurial learning process, or	The study is useful of regional policy implementation.

A Theory, Author & Year	Title	Construct	Major Contribution
appropriate line of enterprise's activity but also to sustain successful entrepreneurial activities in a highly competitive business environment in UAE Dr. SamiaKargwell Dr. Srinivas Inguva Vol. 3 No. 7; April 2012	An Analytical Study on the Graduates of UAE Universities	discovery, which is vital to the efficient operation of markets.	
Many businesses start with a dream, but it takes more than just a dream for them to grow into successful businesses—including the tenacity to overcome the many challenges facing startups today. Startups take time, effort, and energy. Omid Sharifi ¹ , BentolhodaKarbalaei Hossein ²	Understanding the financing challenges faced by startups in India	To explore the main difficulties faced by startups in India, and discuss the financing resources of startups in India by Using a literature-based analysis.	Intensifying the challenge of raising funds, major leaps in technology have led investors to raise the bar in terms of how much legwork entrepreneurs are expected to do before even pitching their companies.
Keshav Kumar April 2015	Indian online start up : Can they stand against the world	Analysis of startup ecosystems	The entry of entrepreneurs in online has reached in few market but yet to enter in foreign countries .
Hildegard Schick, Sandra Marxen and Jürgen Freimann	Sustainability Issues for Start-up Entrepreneurs	The start-up processes of conventional and ofsustainability-oriented start-ups are analyzed in order to discover how they differ in business	the role of public funding in promoting sustainable enterprises is often overlooked. It was clear in the study that finance was an ongoing problem for startups,especially for green firms.
Managers set up firms, post jobsand match with workers. There is a unique equilibrium career choice, which isalso optimal if the wage rule internalizes the search externalities Christopher A Pissarides in his Sept 2001	Study the role of company start-up costs for employment performance.	Start-up Cost for employment performance	The factors that canexplain the differences in labor market performance are "structural," and should be sought in the institutional structures of the countries.
Thomas Hell mann and Manju Puri ³ in their paper examine empirical evidence on the impact that venture capitalists can have on the developmentpath of new firms.	Impact that venture capitalists can have on the development path of new firms.	whether venture capitalists play a role in the professionalization of the internal organization.	analyzed the influence of venture capital on the professionalization of firm'sinternal organization.

Table 2: Entrepreneurial Development and its Influences

Theme	Authors	Factors affectingED	Relationship
Culture & Family Background	Chelaria et al. (2008); Leeetal. (2009)	Culture	Culture has significant impact on entrepreneurial orientation(EO)
	Gupta,(2008); Goyal & Prakash (2011)	Socio-cultural factors	i. Family background, norms, beliefs and values of the society contributed significantly to ED
	Rao(1986)	Age, Social Community regional, origin, source of the initial idea and the reasons for choosing a particular business, level of Formal education, experience and their own and parental economic status	Significantly impact on entrepreneurial orientation (EO)
	Sardana et al. (2011)	Values, multiple family, social networks, joint and undivided family structure, inherited family businesses propagated across the generation, financial backing from family members,	Had positive correlations
	Spodek (1969)	Families contribution and supports	High innovation and spirit of entrepreneurship by goals oriented to maintain stability and profit maximization
	Torri (2009)	Community based enterprise	Leads to empowerment by strengthening capacity building within Community
	Lussier & Lonfield (2010)	Managerial characteristics and practices	Changed from generation to generation within the family owned businesses
	David & Jagannadha (2014)	Education	Lower level in the education is less likely for entrepreneurship
	Douglas (2005); Altinay & Wang (2011)	Socio-cultural characteristics influencing on entrepreneurial orientations	Human resource management in SME's, decision making are the factors of successful entrepreneur's
	Basu (2004)	Success entrepreneurs by four categories	Family support, profit in business, business sustainability and life-style Enhanced
Entrepreneurial Behaviour	Anthony et al. (2009)	Entrepreneurial desire	New innovation and profitable business determined business success

Table 3: Important Elements Identifying Entrepreneur and Entrepreneurship

Important Elements Define Entrepreneur	Activities under taken by Entrepreneur	Entrepreneur	Entrepreneurship
Creativity Kuratko & Hodgetts,2007)	Developing	Entrepreneurs who introduce and implement Innovative idea/s(product innovation, process innovation, market innovation And organizational innovation)	The activities undertaken for introducing and implementing new innovative idea/s to explore market, changes in product and process and structural changes in organization to yield more profit.
Innovation (Hellstrometal, 2001;Carland & Carland,2004)	Designing(products&services)	The person who innovates something new is an entrepreneur	The innovation of something new or the process of innovation is entrepreneurship.
Risk (Carland et al., 1996; Dougluset al., 2002; Wiklund & Shepherd, 2004; Kuratko & Hodglts,2007;Lee etal.,2009)	Managing Risk	The person who have judgment, perseverance, knowledge of the world, business and occupation and adopt moderate risk. An entrepreneur is a person who derives his profit from successfully dealing with the inherent“risk” and“ uncertainty” in a free market	Being judgmental, having knowledge of surrounding world, business and occupation and successfully adopting moderate risk. Deriving profit from successfully dealing with the inherent“risk” and“uncertainty” is entrepreneurship.
Venture creation (Koellinger etal.,2010;Soininenet al.,2011)	Choosing a sector	An entrepreneur one who under takes and operates a new enterprise and assumes some accountability for the inherent risks	Entrepreneurship is the practice of starting new organizations, particularly new businesses generally in responses to identified opportunities
Economics Aims (Zoltan & Zurich 2007;Marchese & Potter, 2011)	Profit oriented	He who bears risk ofthe firm for the sake of making are as on able profitis an entrepreneur	The risk bearing practice that is done by an entrepreneur is entrepreneurship
Management of Resources (Jones,2005;Lin 2006; Ananthram etal.,2010)	Resource's utilization	The person who manages resources well within business Enterprise is an entrepreneur.	The process of managing and creating resources will within business enterprise is entrepreneurship.
Projective & visionary thinking (Endres & Woods, 2010)	Visualizing protectively, Long term vision	The person having characteristics of rational thinking, conceptual skills; creativity; intuition; initiative; culture that value innovation.	The exhibition of characteristics Visualization. Rational thinking, developing skills; showing creativity; intuition; culture of value innovation is Entrepreneurship
Focusonaction/ Highdesire (Kropp etal., 2008; Ryanetal., 2011)	Committing to action	The person who shows self-confidence,hard-worker,energetic,result-oriented,passionate, Deterministic and locus-of-control within is an Entrepreneur.	Focus on growth of entrepreneurship and business success.

Leadership (Carland, 2004; Mckenna, 1996)	Learning & Building relations systems	He/ She who leads an enterprise towards its vision thorough leadership, Motivation is an entrepreneur.	The way in which an entrepreneur leads his manpower, motivates them for the achievement of the firm's goal is Entrepreneurship
Control (Douglas, 2005)	Managing -sales; negotiations; peop leanddelegating	The entrepreneur is a coordinator as he coordinates all the three elements of production i.e., land, Labor and capital	Entrepreneurship is the coordination maintained by an entrepreneur
Opportunity Recognition/ Exploitation (Shane & Venkatraman, 2000 ; Mengsteab Etal., 2011)	Recognizing and developing an entrepreneurial opportunity	The person who discovers and exploits profitable Opportunities	Discovering and exploiting profitable opportunities
Introduction to Change (Small bone & Welter, 2010)	Changing one form of information in the other forms (Products & Services)	Entrepreneur with his/her competence and ability converts technical Information in to useful products & services.	Entrepreneurship is a mechanism through which society converts technical information into product and services
Rebellion/ Delinquency (Huberetal.,2020)	Philosophers of science did not hold entrepreneurs in high esteem. Aristotle had introduced economic activity as a "Zero-sum- game"i.e. one man's gain is an other man's loss. Entrepreneurs were not regarded as society' swell- being	An entrepreneur is an arbitrager between land owner(Capitalist) and hirlings (Wageworkers). One who exploit market with' self-regulating network to reciprocal exchange arrangements'	The process of arbitraging between capitalist and labor force and networking to exploit market in order to yield profit is an entrepreneur.

Determinants of Managerial and Challenges

After reviewing more than 30 research papers (above) the researcher has concluded and revealed the following factors which are considered to be an important determinant for the further research.

Table 4: Determinants

Factor	Positive Impact	Insignificant/Indirect Impact	Rank
Appreciation	10	0	1
Area of Job Interest	9	0	2
Business Environment	8	1	3
EntrepreneurialCareeropportunities	7	0	4
Entrepreneurial commitment	8	0	5

Factor	Positive Impact	Insignificant/Indirect Impact	Rank
Entrepreneurialrisk	7	0	6
EntrepreneurialMotivation	7	0	7
ROI	5	2	8
Entrepreneurial adaptiveness	4	0	9
Entrepreneurialskills	4	0	10

Appreciation

Studies emphasizing on appreciation had been considered as one of the strongest determinants of continuance intention. Past studies like

Dr. Samia Kargwell, Dr. SrinivasInguva (2012) Abdullah S.& Muhamad A.(2008). Agarwal, Krishnuku & Upadhyay, Rajesh kumar (2009) Jain, R., & Ali,S. (2012). Mehta Nikhil K. (2009) Nanda R., Khanna T. (2009) reported about significant positive impact of appreciation factor on First Generation Entrepreneurs and their venture sustainability in Service Sectors.

Table.5 Study of National and International Papers

Focus of the Study	Geographical Context of the study		No. of Research Papers	
	India	Other than India	India	Other than India
A Study on First Generation Entrepreneurs and their venture sustainability in Service Sectors	Dr. Samia Kargwell Dr. Srinivas Inguva (2012) Abdullah,S.& Muhamad A. (2008). Agarwal, Krishnuku & Upadhyay, Rajeshkumar (2009) Jain,R.,&Ali,S.(2012). Mehta Nikhil K. (2009) NandaR.,KhannaT.(2009).	Chirstopher A Pissarides(September 2001), LSE. Gavin C Reid (1999), University of St. Andrews, Scotland. Cressy, R. (1996, September). Economic Journal.ThomasHellmann and Manju Puri (July 2000), Stanford University. Astebro and Bernhardt (2003), Journal of Economics and Business.	6	5

Table 6: Paths Observed

Path	Research Papers
Entrepreneurial Education is →	How Does the Entrepreneurship Education Influence the Students' Innovation? Testing on the Multiple Mediation Model(2019)
Politics →	How Does the Entrepreneurship Education Influence the Students' Innovation? Testing on the Multiple Mediation Model(2019)

Discussion

Considering these theoretical supports the researcher identified direct positive impact of Entrepreneurial Education on Innovation. The indirect effect of education through mediating role of Knowledge Management also found to be significant and supported by past researchers. It is observed that, "appreciation factor" has significant impact on study of First-generation entrepreneur in MSME.

Proposed Hypothesis Work to be Tested

After reviewing the study of different authors, the researcher had formulated objectives which further lead the researcher to study and categorize the variables associated with the research topic. The efforts are made to relate the variables and construct the hypothesis that will guide the researcher throughout the study. Hypothesis is some supposition or assumption regarding relationship between variables that the researcher would like to relate. For learning to create objectives, the researcher has reached to the stage of making the below hypothesis.

Hypothesis 1: Managerial expertise affects venture management in all the stage of the business.

Hypothesis 2: Business environment impedes the growth of First-Generation Entrepreneurs.

Hypothesis 3: Government initiatives have an impact on First generation start-ups.

Table 7: Hypotheses Proposed and Testing Methods

Proposed Hypothesis	Testing Methods
Managerial expertise affects venture management in all the stage of the business.	Independent Sample t-test
Business environment impedes the growth of First-Generation Entrepreneurs.	Binomial Test
Government initiatives have an impact on First generation start-ups.	Descriptive analysis & Multiple Regression

Summary of the Existing Literature Review

The literature review covered most of the important literature on the topic. A thorough synthesis of 32 articles, 7 PhD research thesis and other available secondary resources was carried out which were more or less related to the selected topic of research.

Finally, based on review of literature, the researcher suggested the gap. The researcher clearly identifies gaps enumerated below:

The review also helped the researcher to identify attitude towards entrepreneurs like risk taker, role model, innovator, change agent, visionary, job creator, a person contributing significantly to society's development, opportunity recognizer, optimistic, persistent etc. The review indicated that most of the entrepreneurial attitude studies have been done among respondents from foreign countries. There are relatively few entrepreneurial studies done especially in Indian context. However, it seems no studies have been conducted among Pune's youth. Thus, it is in this context the researcher has made a humble attempt to fill this lacuna.

Available research restricts itself to only entrepreneurs and their historical development and the contribution of different government and non-government organisations in the success of these entrepreneurs. Remotely very less research is done on First Generation Entrepreneurs. The tendency of doing business is shifted from a typical mind set to a broader and accommodative sector for business. Pune being the hub of industrial growth in service sectors, there should be a study which will relate the expectations of the First-Generation Entrepreneur to the one who is designing policy for their success.

Limitations and Future Scope

The research work is a synthesis of existing knowledge base related to a study of First generations entrepreneur with referenceto MSME, it has less empirical contribution. Hence, the researcher would like to test and validate proposed Firstgenerations entrepreneur with referenceto MSME as a part of future research work. Testing the proposed hypothesis on a large and demographically diverse sample may lead to many insights and theplanned investigate will be supportive for carrying out advance investigation on different line of work and in unlike segment and business, especially in Indian context.

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