Entrepreneurship offers a viable and proven pathway to economic growth and personal fulfillment. However, the number of individuals engaged in entrepreneurial behaviors remains low. This discrepancy between entrepreneurial attitudes and action underscores the need for programs that foster the development of entrepreneurship in today’s youth. We argue that a relational developmental systems approach can help researchers understand and facilitate the development of entrepreneurship. In this study, we triangulate across quantitative and qualitative data from the Young Entrepreneurs Study, showing that self-regulation skills, financial risk tolerance, innovation orientation, and the presence of entrepreneurial adults may be especially important for promoting entrepreneurial intent in older adolescents and young adults. We discuss limitations of the present data set and future directions for research.

Entrepreneurship has been defined as “the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, personal and social risk, and receiving the resulting rewards” (Hirsch, Peters, & Shepherd, 2008; p. 8). This definition encompasses both serial entrepreneurship and small-business ownership. Successful entrepreneurship, through classic small-business ownership and more serial endeavors, offers a viable and proven pathway to economic growth (Clifton, 2011) and personal fulfillment (Damon & Lerner, 2008). Yet the number of individuals engaged in entrepreneurial behaviors remains surprisingly low. Approximately 9% of people worldwide engage in entrepreneurship (Neck, Zacharakis, Bygrave, & Reynolds, 2003), and only 11% of working Americans can be described as entrepreneurs (Reynolds, Bygrave, & Autio, 2004). Despite the relative paucity of active entrepreneurs in modern society, a majority of youth hold favorable attitudes toward entrepreneurs (12% had a “very favorable” opinion and 87% had a “somewhat favorable” opinion; Bertelsmann Stiftung, 2007). This discrepancy between entrepreneurial attitudes and actions highlights the importance of educational programs and curricula designed to foster the development of entrepreneurship. Such programs also require theories that move away from trait-like approaches to entrepreneurship. Such approaches equate entrepreneurship with a personality characteristic that has little or no room for intrapersonal development.

In this article, we discuss how researchers can approach the development of entrepreneurship from a relational developmental systems framework (Overton, 2013), and encourage future work to consider such dynamic metatheoretical perspectives. We then introduce the Young Entrepreneurs Study (YES), a first-of-its-kind longitudinal study of the development of entrepreneurship in young adults. We present preliminary results from the YES Project that draw on both quantitative and qualitative data, highlighting intrapersonal and interpersonal differences in the development of entrepreneurship.
contextual factors that may foster the development of entrepreneurial tendencies in youth.

What Do We Know?

As noted by Damon and Lerner (2008), the scientific study of youth entrepreneurship remains in its infancy; no truly developmental studies of youth entrepreneurship exist to date. In fact, studies that examine youth entrepreneurship are so rare that most reviews of the entrepreneurship literature do not even mention the topic. For instance, a 2007 comprehensive collection of reviews on the entrepreneurship research from a psychological perspective does not even contain the word “youth” in its index. Furthermore, no studies of young people are mentioned in the entire volume (Baum, Frese, & Baron, 2007).

Despite the paucity of research that has examined entrepreneurship from a developmental perspective, a small set of prospective and retrospective studies hint at which factors might underlie the development of later entrepreneurship. One early study by McClelland (1965) proposed that entrepreneurship is fostered by having high achievement motivation, for instance. Although the reported correlations between achievement motivation and entrepreneurship were low, a finding that was replicated in further research (some of which actually failed to find any significant results at all; Frey, 1984), participants who engaged in entrepreneurial careers as adults were higher in achievement motivation during college than participants who turned out to be nonentrepreneurs.

Taking a longitudinal approach, Schoon and Duckworth (2012) tested a model of entrepreneurship that examined individual and contextual factors. Using the 1970 British Cohort Study, researchers explored the predictive validity of early experiences and contextual factors (such as parental role modeling) in producing the emergence of entrepreneurial tendencies later in life. Results showed gender differences and the importance of individual and contextual factors in the development of entrepreneurial activities. Through a prospective study, using data from 64 years of the Terman Life-Cycle Study, Schmitt-Rodermund (2007) merged work from the fields of developmental psychology and industrial or organizational psychology to investigate whether early characteristics predict entrepreneurial activities later in life. Although this study did not study intraindividual change (i.e., it did not examine the development of entrepreneurship as it unfolded), the researchers found evidence that individual factors (e.g., personality characteristics) and contextual factors (parenting) were both predictive of later occupational choices. Focusing on entrepreneurial success, through the use of retrospective, administrative, and interview data sources, Obschonka, Silbereisen, and Schmitt-Rodermund (2011) investigated the relationship between contextual and individual assets during adolescence and participating in venture creation (past or recent). Findings provide support for the importance of entrepreneurial competencies and personality traits during adolescence and entrepreneurial skills later in life.

In short, findings elucidate the importance of examining the development of entrepreneurial characteristics and activities from a developmental approach. However, past research has often either involved prediction analyses, which do not reveal intraindividual change, or cross-sectional analyses, which assess only interindividual differences. Neither of these methods appraise intraindividual change and interindividual differences in such intraindividual change and therefore cannot be said to describe the development of entrepreneurship. As Schröder and Schmitt-Rodermund (2007) pointed out in their literature review of the theoretical models and empirical research on the development of entrepreneurial activities, orientation, and characteristics, previous studies do not use longitudinal designs, and therefore do not elucidate developmental processes.

Other research has focused on the development of entrepreneurial capacities, rather than focusing on the development of entrepreneurship itself. One small study of highly entrepreneurial youth (N = 12) found that by age 11 or 12 children had acquired “entrepreneurial capacities such as resourcefulness, persistence, know-how, and a tolerance of risk and temporary set-backs” (Damon, 2008, p. 114). These youth tended to share a number of early experiences that may have fostered their entrepreneurial capacities and interests, including information provided by adults outside the immediate family, the opportunity to observe successful people at work, realizing that they can build something important in the world, attempts to accomplish something important, learning the skills needed for this pursuit, and high practical effectiveness, optimism, self-confidence, and commitment to goals. Work by Schmitt-Rodermund (2004) further supports the importance of contextual factors in the development of entrepreneurship, finding that students who observed their parents engaging in entrepreneurial activity were
themselves likely to show entrepreneurial competence.

Another important finding is that entrepreneurs have a greater ability than nonentrepreneurs to recognize, discover, and create opportunities in their environments (Baron, 2007). Cognitive and behavioral research suggests two reasons for this finding. First, entrepreneurs have larger and more diverse social networks than nonentrepreneurs, which provide a better conduit of information about opportunities (Renzulli, Aldrich, & Moody, 2000). Second, entrepreneurs are better at pattern recognition (Baron, 2007), which may serve as a proxy for opportunity recognition. The process of noticing links between ideas that appear to be unconnected is a prevalent skill among successful and innovative entrepreneurs.

Dyer, Gregersen, and Christensen (2008) similarly studied the behaviors of successful innovative entrepreneurs as compared to noninnovative executives and found that entrepreneurs exhibit skills related to pattern recognition. More specifically, their results showed that entrepreneurs engage in the following behaviors much more than noninnovative executives: questioning that challenges the status quo, persistent observing, experimenting at the personal and organizational levels, and networking to develop and test ideas. These four “discovery” behaviors lead to associational thinking, which represents pattern recognition across apparently unrelated information, problems, and ideas. In addition, Schmitt-Rodermund and Vondracek (2002) found a moderating effect of an individual’s “willingness to expend effort” on the relationship between antecedents of entrepreneurship (e.g., achievement orientation, self-efficacy, and personality traits) and entrepreneurship orientation (e.g., entrepreneurial interests, entrepreneurial skills, and entrepreneurial behavioral traits) among youth, although entrepreneurial orientation alone did not predict entrepreneurial prospects. Schröder, Schmitt-Rodermund and Arnaud (2011) also suggest that personality traits (e.g., openness, neuroticism) are important to distinguish entrepreneurs from managers.

In sum, prior research has investigated the correlates and antecedents of entrepreneurship, but has not yet explored the developmental processes involved in entrepreneurship or the development of entrepreneurship among young people. Such studies will need to draw on developmental metatheory to incorporate prior findings about entrepreneurship with an understanding of youth development.

A Relational Developmental Systems Approach

The above findings highlight the importance of both personal and contextual factors for the development of entrepreneurship. A majority of these studies underscore important personal attributes that foster entrepreneurial behavior, and other work has highlighted the importance of entrepreneurial role models and exemplars (e.g., Damon, 2008). The concurrent importance of personal and contextual factors stands in stark contrast to the increasingly common belief that there is a “gene for entrepreneurship” (see, for example, Baum & Locke, 2004). Reducing the development of any complex phenomenon such as entrepreneurship to only genes, only the context, or even to a simple linear sum of genes and environment, leads to theories that are neither accurate nor elucidating of developmental processes (e.g., Ho, 2010).

We instead propose that the development of entrepreneurship—both in youth and across the life span—is marked by bidirectional person ↔ context relations that stress mutually influential relationships between a developing and active organism and its complex and dynamic context. In line with action theoretical (e.g., Brandststäder, 2006) and relational developmental systems models of human development (e.g., Overton, 2013), genetic variables contribute to the development of entrepreneurial careers, but they do so in fusion with contextual factors. In turn, contextual factors, such as having an important adult role model, impact the development of entrepreneurship through their relations with variables from the other levels of analysis within the integrated developmental system. Thus, variables from any level of organization alone cannot adequately predict the development of entrepreneurship.

Bidirectional person ↔ context relations have been termed “developmental regulations,” and when developmental regulations benefit both the individual and his or her context, they have been called adaptive developmental regulations (e.g., Brandststäder, 2006). Adaptive developmental regulations therefore indicate cohesion between personal and contextual attributes across multiple levels of analysis. Our relational developmental systems approach also emphasizes the importance of the individual’s ability to consciously influence his or her environment. Agentic control over one’s own history of developmental regulations (i.e., one’s developmental trajectory) is consistent with the notion of individuals as producers of their own development (Lerner & Busch-Rossnagel, 1981),
where agentic control over one’s own development is also called intentional self-regulation (Gestsdóttir & Lerner, 2008).

This relational developmental systems approach to the development of entrepreneurship is in line with many other modern approaches to entrepreneurship that have begun to move away from deterministic, trait-like definitions. For instance, Hébert and Link (1989) identified 12 roles of entrepreneurs, including a person who assumes risk, an owner, innovator, organizer, contractor, manager, employer, and/or leader. Many of the roles identified (e.g., “owner,” “manager,” or “employer”) are relatively static, and others represent more malleable characteristics of the individual (e.g., assuming risk). Hébert and Link (1989) synthesized concepts across these dynamic and static factors, defining an entrepreneur as “someone who specializes in taking responsibility for and making judgmental decisions that affect the location, form, and the use of goods, resources, or institutions” (p. 47). This definition of entrepreneurship highlights the dynamic role of the entrepreneur, which is capable of individual development.

Aligned with the work of Hébert and Link, scholars have continued to advocate moving beyond trait-like approaches and have called for entrepreneurship to be viewed as a behavioral process (Gartner, 1989). As opposed to a trait-like approach which focuses on the relatively fixed characteristics of the individual, a behavioral process approach focuses on “what individuals do to enable organizations to come into existence” (Gartner, 1989, p. 63). A focus on behavioral process furthers the view of entrepreneurship as occurring in a dynamic system.

Ripsas (1998) has also called for an interdisciplinary approach to understanding entrepreneurship. Ripsas (1998) emphasized the importance of economic, psychological, sociological, and cultural factors in understanding entrepreneurship. This approach suggests an integration of economic systems and behavioral approaches. Similarly, Peneder (2009) defined entrepreneurship as a quality that “either enhances the allocative efficiency for given ends and means, or drives the dynamic performance of the system through the progressive creation of new products, processes or markets” (p. 77). Peneder’s definition of entrepreneurship incorporates the characteristics of entrepreneurs within a system, as well as the importance of the behavioral process associated with such entrepreneurial endeavors.

We therefore emphasize that entrepreneurship is a dynamic process that develops from both individual and contextual variables. As such, encouraging the development of entrepreneurship therefore requires social and economic conditions that support and promote entrepreneurial activity. From an individual perspective, we argue that the development of entrepreneurship depends on strengths or assets of the person that contribute to developmental regulations, such as the agentic individual’s ability to intentionally regulate his or her actions within individual ↔ context relations. Entrepreneurship is therefore developed through the mutually influential relations among these contextual conditions and individual assets.

State of the Field

Prior research has not successfully approached the development of entrepreneurship from a relational developmental systems perspective. Instead, previous work has failed to integrate personal and contextual variables and has often treated entrepreneurship as a loosely connected set of operationalizations that lack a meaningful theoretical definition.

The limitations of previous research leave several “big questions” unanswered. At the present, we do not know (1) which, if any, personal characteristics provide some young people an advantage for pursuing entrepreneurial careers, (2) what skills young people must develop to prepare for such a career, and (3) what kinds of experiences might motivate young people to pursue entrepreneurial careers (see also Damon & Lerner, 2008). In this article, we begin to address these questions by presenting early results from the first wave of the YES, a longitudinal study designed to answer these and other questions concerning the development of youth entrepreneurship.

METHOD

We designed the YES Project to help determine which personal attributes of individuals in concert with which contextual assets are associated with which aspects of adaptive functioning. The YES Project focuses on those aspects of adaptive functioning that are related to the development of entrepreneurship.

The YES Project is the first-ever mixed-methods longitudinal study specifically designed to understand the development of entrepreneurship. We describe the course of individual ↔ context relations as they pertain to entrepreneurship in a sample of late adolescents and young adults. We plan
on following approximately three thousand participants across three times of (annual) measurement in a continuous-time variant of a cohort-sequential design, such that participants will be between 18 and 24 years old at the beginning of the study and between 20 and 26 years old at the end of the study. We utilize a mixed-methods approach that combines qualitative and quantitative methods to examine factors hypothesized to promote entrepreneurship among late adolescents and young adults. Our quantitative data come from computerized surveys, and our qualitative data come from semi-structured interviews. For the following analysis, we used a convergent design, which uses the strengths of one method to compensate for the weaknesses of the other (Creswell & Plano Clark, 2011). In this analysis, we used the qualitative data to cross-check and provide detail for the quantitative results.

Participants
We recruited participants enrolled in colleges and universities centered in three regions of the United States: New England, the West Coast, and the Midwest. Participation in our study was strictly optional for all participants, and participants either (1) received course credit or (2) were entered into a drawing for one of twenty iPads, depending on the requirements of each participating university. We then selected a subsample of highly entrepreneurial participants from our larger sample to participate in qualitative interviews, with each interviewee receiving an additional reimbursement of 35 USD.

Quantitative sample. Our quantitative analyses examine data from a sample of 1,151 participants recruited from universities in the United States (M_{Age} = 21.16 years, SD = 1.64). The YES Project is currently in progress, and this initial sample thus represents the first half of participants that we anticipate collecting data from during Wave 1 of our study. Our participants were moderately diverse, being predominantly female (60.19%) and European American (62.36%), but with several other ethnicities represented (4.98% African American, 17.99% Asian, 6.03% Hispanic, and 8.65% other). Our sample is accordingly not representative of the larger population of the United States, containing more females and individuals of Asian ethnicity, and fewer African Americans than the larger population. Approximately equal numbers of participants were drawn from each of our three target areas (403 Northeast, 303 West Coast, 419 Midwest, 26 unspecified).

Qualitative sample. From the survey respondents, a subset of 48 (16 from each region) participants were invited to participate in semi-structured follow-up interviews. Interviewees were selected based on a cluster analysis of our preliminary survey data that grouped individuals according to indicators of positive development as well as to indicators of entrepreneurial intent. The purpose of this analysis was to create a sampling scheme that enabled us to compare entrepreneurial individuals to other positively developing individuals in our interview analysis. We identified eight clusters, two of which displayed especially high positive development in terms of community involvement and moral character. One of these clusters displayed high entrepreneurial intent, while the other cluster did not display high entrepreneurial intent, and we drew our interview sample from these two clusters with the goal to select eight highly entrepreneurial participants and eight who were not highly entrepreneurial from each of our three geographical regions. We selected interviewees from these clusters using the criteria of ethnic diversity, gender balance, and location, so that interviews could be conducted in person.

To triangulate with findings from the quantitative analysis and describe how individual and contextual factors promote entrepreneurship in young adults, we selected three (N = 3) highly entrepreneurial individuals from the sample of 48 interview participants for this preliminary analysis. These cases were selected because they each exemplified at least one of the important themes that emerged in the quantitative analysis.

Measures
We describe separately the measures used for our quantitative and qualitative analyses, respectively.

Quantitative measures. Our quantitative analyses examined the possible interactions among three individual characteristics (intentional self-regulation, financial risk tolerance, and innovation orientation) and two contextual assets (having parents that started a business, having an important mentor) in predicting a measure of entrepreneurial intent.

Intentional self-regulation. Given Damon’s (2008) emphasis on the importance of self-regulatory abilities for entrepreneurship, we included a measure
of entrepreneurial self-regulation as a predictor in our models. Participants completed the Entrepreneurial Intentional Self-Regulation Questionnaire (EISR) as a measure of self-regulation skills pertinent to entrepreneurial behavior. We developed the EISR specifically for the YES Project and validated its factor structure using a pilot sample of 118 college students not included in the present study ($\chi^2(687) = 860.94$, $p < .001$; RMSEA = .04, 95% CI [.04, .06]; CFI = .90; TLI = .88). Derived from Baltes and colleagues’ model of selection, optimization, and compensation (e.g., Freund & Baltes, 2000), the EISR has two goal selection subscales, three goal optimization subscales, one subscale representing compensation, and one subscale representing loss-based selection. Participants responded to all items using a 5-point Likert-type scale that indicated “the way you approach and accomplish goals in your life,” with response options ranging from almost never to almost always.

Selection of novel goals represents a preference for selecting goals that others have not considered or that fulfill an unmet need (three items, e.g., “I like to pursue projects that others have not thought about pursuing,” $\alpha = .80$). Selection of challenging goals represents a preference for taking on challenging tasks as opposed to only selecting those goals that can be easily met (four items, e.g., “I prefer to take on challenging projects,” $\alpha = .85$). Optimization through persistence represents diligence and efficiency in goal attainment (three items, e.g., “I work diligently to complete my tasks,” $\alpha = .71$). Optimization by being a self-starter represents the ability to self-motivate goal optimization (three items, e.g., “I am a self-starter,” $\alpha = .79$). Optimization through innovation represents finding innovative ways to accomplish tasks and reach goals (three items, e.g., “I use available resources in new ways,” $\alpha = .69$). Compensation represents the ability to switch gears and apply alternative means for reaching a goal when faced with setbacks or failures (six items, e.g., “After a failure, I come up with alternative strategies to accomplish my goals,” $\alpha = .90$). The last subscale, loss-based selection, represents the ability to adaptively switch goals in the face of insurmountable failure (four items, e.g., “When I realize I cannot reach a goal, I quickly move on to new endeavors,” $\alpha = .75$).

Financial risk tolerance. Damon (2008) also indicated risk tolerance as a potentially important attribute of entrepreneurs, and we created a measure of financial risk tolerance specifically for the YES Project. The measure contains seven items adapted from Grable and Lytton’s (1999) financial risk tolerance assessment instrument. For 4 of the items, participants were presented with scenarios related to financial investments and were asked to select which response most closely resembles how they would act, such as “When you think of the word ‘risk’ which of the following words comes to mind first” with response options being loss, uncertainty, opportunity, or thrill. The remaining three items ask participants to rate the extent to which they agree or disagree with statements about financial risk, such as “You need to take greater risk in order gain greater rewards.” This scale displayed moderate to low reliability in the present sample ($\alpha = .62$) but was retained in the present analyses due to the likely importance of taking financial risks for successful entrepreneurship.

Innovation orientation. Given the widely held belief that innovation and entrepreneurship are linked (e.g., Dyer et al., 2008; Hébert & Link, 1989), we adapted Scott and Bruce’s (1994) measure to assess the degree to which participants see themselves as generating and implementing new ideas, as well as championing these new ideas to others. The scale consisted of six items and participants were asked to rate the extent to which they partake in a list of behaviors ranging from almost never to almost always. Example behaviors included “Promote and champion ideas to others” and “Generate creative ideas.” This scale displayed acceptable reliability in the present sample ($\alpha = .83$).

Entrepreneurial parents. As discussed by Schmitt-Rodermund (e.g., 2004), the presence of entrepreneurial adult mentors (e.g., parents) may be especially key to the development of entrepreneurial intent. Each participant chose up to two people that were “most responsible for raising you,” which for the purposes of the YES Project were designated “Parent 1,” and “Parent 2,” respectively. We then asked participants whether either “parent” ever started a business, coding the results in a binary manner (“One or both parents has started a business” vs. “Neither parent has ever started a business”).

Presence of adult mentors. We also measured the presence of adult mentors in our participants’ lives with a four-item scale from the Search Institute’s PSL-AB survey (Leffert et al., 1998). For each item, participants indicated the number of nonparental adults they had known for one or more years who met a series of criteria that define an adult mentor (e.g., “Give you lots of encouragement whenever they see you,” and “You look forward to spending time with”). All ratings were on a four-point scale that ranged from zero to four or more. In the present
sample this scale displayed excellent reliability ($\alpha = .91$) and was treated as an interval-level scale, even though the items may be better represented as counts.

**Entrepreneurial intent.** We created a measure of entrepreneurial purpose by factor analyzing a set of items measuring participants’ life goals in our pilot data set. Our measure of entrepreneurial intent contains four items in which participants indicate how important starting or developing a new business is in their lives. Items are scored on a 5-point Likert-type scale ranging from *not at all important* to *extremely important*, with specific items being “Start my own business,” “Develop my own business,” “Start a new organization,” and “Change the way a business or organization runs” ($\alpha = .88$).

**Qualitative measures and data collection.** The YES interview protocol is a semi-structured interview designed to probe participants’ (1) future goals, (2) entrepreneurial pursuits, early experiences, influences and motivations, (3) entrepreneurial qualities (qualities of interest and qualities that we may not have considered), and (4) attitudes about entrepreneurship. Each of these four sections contains seven to eight questions addressing the section theme. Example questions include “What are some of your long-term goals?,” “Have you ever taken significant risk in trying to accomplish something important?,” “As a child or teenager, do you remember any efforts to earn money on your own?,” and “What do people who start business contribute to the world, for better or for worse?” The semi-structured format enabled interviewers to ask probing questions to elicit further information. Participants were interviewed by trained interviewers in a quiet location convenient to the interviewee (e.g., library, coffee shop). Interviews lasted an average of one hour and were recorded and transcribed.

**RESULTS**

**Quantitative Results**

Our quantitative analyses tested whether a combination of intraindividual and contextual factors interacted to predict entrepreneurial intent in our sample. Due to the large number of variables and possible interactions, we limited our analyses to only explore all possible main effects, two-way interactions, and three-way interactions, setting our Type I error rate to $\alpha = .001$. After fitting our initial model, we then moved iteratively toward a final model by removing nonsignificant parameters in small groups, starting with three-way interactions, moving to two-way interactions, and finally moving to main effects. This “tear-down” procedure produced the most parsimonious model that fit our data reasonably well.

Due to our two-stage sampling protocol, our participants were necessarily nested in colleges or universities. Entrepreneurial intent displayed sufficient variance across schools to be possibly problematic (intraclass correlation coefficient [ICC] = .06), and we accounted for this relation by specifying multilevel models with random intercepts. Due to the number of parameter estimates in our initial model, we only considered fixed slopes, however.

**Preliminary results.** Preliminary analyses computed the means, standard deviations, and correlations among all of our target measures. Although these analyses did not take the nested data structure into consideration, they provide a didactic first glimpse into our data set’s structure. As Table 1 shows, all scales correlated positively and nearly all correlations were significantly greater than zero, with many exceeding .30.

**Multilevel regressions.** As shown in Table 2, none of the interaction effects were significant in our analyses, and our final regression model only retained the main effects for selection and optimization of novel goals, persistence, financial risk tolerance, and innovation orientation. A parallel fixed-effects regression also found no evidence of collinearity in this model (VIF for all predictors less than 2.00; analyses not shown). All predictors except persistence positively predicted entrepreneurial intent. The raw correlation between persistence and entrepreneurial intent was positive in our preliminary analyses, however, suggesting the possibility of a suppression effect. We did not anticipate such a relationship, and this suppression should be further explored in future analyses and replicated in future waves of the YES Project. Supplementary analyses (not shown) revealed that the suppressed negative relationship between entrepreneurial intent and persistence only reached significance when financial risk tolerance, selection of novel goals, and optimization through novel means were all included as predictors.

In sum, our initial quantitative results indicated that all aspects of self-regulation predicted entrepreneurial intent. Do these quantitative findings...
triangulate with the qualitative information we have obtained?

**Qualitative Results**

The mixed-methods model employed for this analysis used the interviews to cross-check and elaborate on some of the quantitative findings, to provide detail and depth to the global survey results (Creswell & Plano Clark, 2011). The qualitative analyses were performed independently of the quantitative analysis to ensure that our interpretation of our quantitative and qualitative results remained independent. We first read the interviews from highly entrepreneurial participants and organized the interview text according to the following predictor constructs from the quantitative analysis as categories: self-regulation, financial risk tolerance, and adult support for entrepreneurship. Given the limitations of a small interview subsample, our data were redundant in the predictor categories of innovation orientation and self-regulation (which includes novel goal selection and optimization through innovation), so we eliminated the former category from this qualitative analysis. In addition, because the interview asked about adult role models broadly, it was appropriate for this analysis to merge the predictor constructs of entrepreneurial parents and presence of adult mentors into one category.

From our highly entrepreneurial participants, we selected three who exemplified these constructs to examine through further analysis. In each of the three case interviews, we identified text that explained how the individual manifested self-regulation, financial risk tolerance, and adult support for his or her entrepreneurial activities and then reexamined the full interview to see how those constructs were associated with the participant’s entrepreneurial intent.

The cases that follow describe how the potential predictors of entrepreneurial intent that were examined in the quantitative analysis were manifested in young people with high entrepreneurial intent. The cases are organized thematically according to the three predictors that were used for this analysis. The first, self-regulation, is a multidimensional construct. Self-regulation was demonstrated when participants selected novel, challenging, or need-fulfilling goals; optimized their goal pursuit through intrinsic motivation, diligence, innovation, resourcefulness, and initiative; and compensated for failure through persistence and innovation. The second theme is financial risk tolerance. The third theme is social support for entrepreneurial development, in particular the presence of entrepreneurial parents and other adult mentors. Names of participants have been changed to protect confidentiality.

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### TABLE 1 Preliminary Data Analyses

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Estimate (SE)</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection – novel</td>
<td>0.70***</td>
<td>1.00</td>
</tr>
<tr>
<td>Selection – challenge</td>
<td>0.51***</td>
<td>0.47***</td>
</tr>
<tr>
<td>Optimization – novel</td>
<td>0.36***</td>
<td>0.48***</td>
</tr>
<tr>
<td>Optimization – self-starter</td>
<td>0.28***</td>
<td>0.44***</td>
</tr>
<tr>
<td>Compensation</td>
<td>0.43***</td>
<td>0.49***</td>
</tr>
<tr>
<td>Loss-based selection</td>
<td>0.20***</td>
<td>0.08***</td>
</tr>
<tr>
<td>Financial risk tolerance</td>
<td>0.30***</td>
<td>0.33***</td>
</tr>
<tr>
<td>Innovation orientation</td>
<td>0.54***</td>
<td>0.47***</td>
</tr>
<tr>
<td>Entrepreneurial parents</td>
<td>0.07*</td>
<td>0.08**</td>
</tr>
<tr>
<td>Mentor</td>
<td>0.17***</td>
<td>0.18***</td>
</tr>
<tr>
<td>Entrepreneurial intent</td>
<td>0.36***</td>
<td>0.27***</td>
</tr>
</tbody>
</table>

* p < .05; **p < .01; ***p < .001.

### TABLE 2 Parameter Estimates From the Final Multilevel Regression

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Estimate (SE)</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
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<td>.056</td>
</tr>
<tr>
<td>Selection – novel</td>
<td>.19 (05)</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Optimization – novel</td>
<td>.24 (06)</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Optimization – persistence</td>
<td>-.23 (05)</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Financial risk tolerance</td>
<td>.47 (07)</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Innovation orientation</td>
<td>.44 (05)</td>
<td>&lt;.001</td>
</tr>
</tbody>
</table>

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Sohan. Sohan is a 19-year-old Indian American male. At the time of the interview, he was a freshman at a selective public university in northern California. He was born and raised in Singapore and moved to the United States to attend college. His parents were born in India, but immigrated to Singapore before Sohan was born. He described the schools he attended in Singapore as “elite,” and he qualified for national competitions in physics and mathematics during high school. A relatively accomplished entrepreneur before entering college, Sohan believed that he will always be an entrepreneur. In fact, speaking about his future life goals, he said there was “no other option in life.”

Self-regulation. One of Sohan’s early entrepreneurial achievements illustrated his ability to self-regulate. In ninth grade, he entered a competition sponsored by a prominent e-commerce business, in which contestants competed to be top sellers. Describing the competition, he said,

Most people, what they came up with [was]… let’s sell used stuff at home, that old stuff, whatnot. I tried that for a few weeks and it didn’t work out…. I knew this place in Singapore that sold electronics for a lower price than what the market usually sells, and I would buy electronics from them…. so I decided maybe I should go and buy from them and sell all these electronics online for market price. And I did pretty well…. My revenue was $17,000 for that summer.

Sohan won the e-commerce competition. His experience exemplified many of the components that make up entrepreneurial self-regulation. First, he selected a challenging goal, choosing to enter a high-level business competition at 14 years old and was intrinsically motivated to achieve the goal. He remarked, “I really wanted to win that competition because I don’t know why…. it was like I had to do this.” Second, he employed novel techniques to win the competition. He described using a unique strategy, namely buying electronics at discounted prices and selling them for the market price online. This strategy was immensely successful and inspired others to replicate his technique, as he explained “three or four of my friends, they started doing exactly the same thing as me after I won.” Third, he persisted in the face of failure. Upon realizing that his strategy of selling used goods was not working, Sohan quickly compensated for this initial failure by developing a new, more successful strategy.

Financial risk tolerance. Sohan did not say that he took financial risks, but his attitude about financial risk-taking was evident in his discussion of startups and failure. “If your startup is not successful, you are literally on the road the next day. You probably don’t have enough financially to survive the next month itself. So it’s a huge risk. But the learning experience that comes with that, I think, is unparalleled.” His perspective on the financial risk of entrepreneurship is relatively optimistic, in that he recognizes the potential for devastating risk, but focuses on the learning benefit to be gained from the experience.

Social support for entrepreneurial goals. Parental support for entrepreneurship was prominent in this interview. Sohan’s father started an IT outsourcing company and had a significant influence on Sohan’s growth as an entrepreneur. He described how his father encouraged him to pursue work that was intrinsically motivating: “I drew a lot of inspiration from him over the years. He motivated me to just do whatever I like instead of doing it for the grades.” Discussing business helped cultivate the relationship between Sohan and his father and allowed Sohan to learn from his father’s entrepreneurial experiences. His father also played a paramount role in shaping Sohan’s decision to pursue entrepreneurship in the future. He said,

Before [the e-commerce competition], me and my father never used to talk much about business… Almost every night, we’d go for a walk, just walk for one hour. And normally in those walks—before that… competition, my father wouldn’t talk much to me. It was just, “Hi. How are you?” And after that, I think he realized that I was interested in business. And so he started telling me about all these different things that he used to do in business. And I think he inspired me a lot. And even though after the [e-commerce] thing, I might have naively decided that entrepreneurship was the thing for me. But my father was probably the one who solidified it for me, that there is no other option for me in life.

Sohan also looked to his father as his primary source of advice on financial investments. When asked whether he ever read books or magazines about finances, money making or investments, he remarked, “No, I never really read anything about it formally…. But I’ve always been interested in investment. I mean my father shared with me how he has done his investment. Instead of putting it in
an investment bank, he invested in property and real estate. I guess—for investments, it’s really just my father advising me about it.”

Sohan considered the option of joining his father’s company in the future, but had mixed feelings about it. At one point, he said he would enjoy continuing his father’s business, but at another he noted that he would prefer to “start from scratch.” In the end, he seemed to reconcile these conflicting desires by acknowledging that he could expand his father’s work into different areas. “At some point, I definitely will join his business.... But even if I join his business, right now he’s in the service industry. He does IT outsourcing. I’m not exactly interested in that, so I told him, ‘Even if I join your business, I’m going to do what I like doing and I’ll expand it in a different direction.’ And he said it’s completely fine.”

**Dustin.** Dustin is a 22-year-old European American male. At the time of the interview, he was a senior at a large private university in Massachusetts that had a reputation for attracting entrepreneurial students. Dustin grew up in a New Jersey suburb and attended community college for 2 years before transferring to the 4-year school. He studied political science and economics and described himself as “just a normal college kid.” Speaking about his future goals, he said “I definitely would like to start my own business and work for myself and do what I want to do.” At the time of the interview, he was taking classes, developing a business, working as a hospital lab assistant and as a financial analyst for the inspector general’s office.

**Intentional self-regulation.** Dustin recounted several experiences that exemplified self-regulation. He was perpetually engaging in projects that involved new ideas, such as starting new businesses and designing new products. These ventures started at a very young age: “I’ve started countless projects. When I was 12, I guess, [I started] a web design business—I don’t know what I was doing—in my basement.” Starting this business, he explained, was all his idea.

At the time of the interview, Dustin and his brother were developing a branding business. The purpose of the business was to help companies effectively use social media. He described the process of developing the business this way:

My dad is a real estate agent, so we’ve been using him as kind of a prototype to test the market. We made him a page and a Twitter and stuff and have been trying to get people to “like” his Facebook page right now. So we started, I guess, about a week ago only, and we have 30 people. That’s nothing, but I’m trying so hard, and nobody will like it. I’ve tried just sharing the page. I’ve tried just—I tried to post a listing to see if somebody would want to see it. Tried the viral videos ... I went on all these different types of things, just recommending him anywhere I can.... Nothing has honestly worked that well yet, aside from asking my friends to Facebook friend him. But I think it’s still beginning. Once you learn and you learn a strategy and figure out it works, then stuff gets easier. So I think it’s more just trial and error, so far, at this point.

Several elements of self-regulation were evident in this account. Dustin’s process of “trial and error” demonstrated his ability to compensate in the face of failure by trying new strategies for achieving his goal. He did not dwell on failures, but recognized that “stuff gets easier” as effective techniques are identified, indicating goal optimization. He innovated by implementing novel ways of attracting customers and persisted despite setbacks. He believed he could overcome obstacles through the process of trial and error.

In discussing his professional goals, Dustin described himself as a self-starter with the internal drive to succeed. He said he “[liked] to strive for being the best,” and thinking about his professional life he said, “I always felt that nobody was just gonna give me a job. I needed to just go make one for myself.” It is notable that he chose to create a job rather than to find one. He also recognized that entrepreneurship would involve significantly more commitment and effort than simply coming up with innovative ideas: “It’s about doing something. ‘Cause so many people have ideas, but if you don’t do anything about them, it’s kinda just like everyone else. So I really just wanna keep working on materializing my ideas and making it something tangible.”

Here, Dustin articulated an emergent grasp of entrepreneurship as a dynamic process. Combined with his self-regulatory behaviors, this awareness suggests that Dustin possesses some of the important intra-agentic factors we discuss in this article.

**Financial risk tolerance.** Dustin discussed the role of money in business throughout his interview. He believed taking financial risks was vital to entrepreneurship, and he viewed his own financial risk aversion as a personal weakness. When
asked whether he had ever taken a significant risk to accomplish something, he replied, “That is probably one of my biggest faults is that I’m not a huge risk taker. ... I mentioned financials and money being tight... that’s probably my biggest defect because I try and be careful and too cautious.”

He described his struggles with money in starting his own businesses: “Money has been a pretty big obstacle to overcome for broke college kids trying to start a business,” but he did not describe any efforts to raise money for his own businesses. Instead, he expressed a preference for “using money wisely” and starting businesses that required a “minimum investment” up front.

At the same time, Dustin, like Sohan, found value in entrepreneurial endeavors even if they resulted in financial loss. When asked whether his past business ventures were successful, he said, “It depends how you define success, because, was I successful in making money? No. Definitely not.... It was successful with what I took away from it.” When asked what he took away from his experiences, he said “leadership qualities,” and “the ability to stick with something,” as well as “passion for business, just starting stuff up.” Even though Dustin was not completely comfortable taking financial risks, he recognized that it was important to do so, and he framed risk-taking in an adaptive way. Rather than leaping into potentially risky situations, he took his time and tried to find ways of minimizing potential losses, and when he encountered failures, he viewed them as critical learning opportunities. In this way, he demonstrated a very adaptive approach to financial risk-taking.

**Social support for entrepreneurial goals.** As a real estate agent, Dustin’s father is self-employed and embodies some of the lifestyle benefits and values that are inherent to entrepreneurship through his self-employment. When asked to describe his role models, Dustin talked about his father exclusively. “[My dad]... wanted to be his own boss when I was a kid. So I guess that would be a driving force for me wanting to work for myself. He always told me, ‘you gotta work for yourself. You don’t have to answer to anybody.’”

Similarly, Dustin described how his father instilled “good values,” especially “professional values” in him. His father taught him “to always be on time and to listen to people.” Discussing what he admired about his father, he said, “He knows what he’s doing, he’s very compassionate. He understands people. He’ll never say no to going to set up an appointment or going and show an apartment. He’s always there.” Dustin’s father is role model for his developing career in entrepreneurship, specifically in the lifestyle that he leads as a self-employed businessman and in the social skills and values that he applies in his professional life.

**Isabella.** Isabella is an 18-year-old Latina female. She was just finishing her freshman year at a large state university in northern California when the interview took place. She had relocated from Los Angeles and was having difficulty adjusting to the new environment and life without her family nearby. Isabella was the first person in her family to go to college, and she felt it was very important to finish college so that she could pursue her dreams and support her family. Her plan is to major in business, to work toward her goal of having a career in the hospitality industry and eventually to start a hotel business.

**Intentional self-regulation.** Isabella demonstrated self-regulation by selecting need-fulfilling goals and by optimizing her chances for success through diligence, persistence, and resourcefulness. Her vision is to start a hotel business in underdeveloped countries that will increase tourism to undiscovered areas, a goal she selected because it addresses several needs at once. She wants to provide for her family and have a career that will enable her to travel internationally, but more specifically, her goal of opening hotels in underdeveloped countries is designed to address the economic needs of those countries: “With the hotel industry, I just really like it. I just like the whole part of traveling and being able to build this business and expand it over to different countries and stuff. I think that’s exciting. The philanthropist work would be... [helping] those underdeveloped countries become more prosperous.” In previous endeavors, Isabella similarly selected goals that addressed unmet needs. She started a tutoring club at her high school and created a business that designed and sold school sweatshirts.

Isabella recognized that her career path begins with finishing college, and for now, she sees her task as being diligent in completing her general education credits, establishing herself in the most appropriate major, and planning for internship and study abroad experiences that will prepare her for her career. Getting through the first phase of college is a challenge for Isabella because she struggles with homesickness. However, she understood that this struggle is preparing her for the challenges she will face in her career: “The college experience... was kinda hard at first, but it’s defi-
nently been preparing me for... if I have to travel... getting used to being away from home,... the amount of time I have to commit to my goals.” Through her diligence and persistence and effort to make the best of the challenges she faces, Isabella is optimizing her chances of succeeding at her business goals.

Isabella further optimized her odds for success by taking advantage of resources and integrating them in innovative ways. Starting in high school, she took advantage of work and business opportunities to develop career skills and interests. One of her first opportunities was a regional occupational student program, which enabled her to work in a hotel while still in high school. This experience exposed her to the hotel industry at a time when she was studying architecture, which caused her to focus on the beauty and appeal of hotels and initiated her interest in the hospitality business: “That actually gave me my insight to the hotel industry. Every single time I walked in there, it was pretty.... It’s really just fancy, just going into a hotel.” By integrating the work opportunities available to her with her studies, Isabella demonstrated an innovative use of resources as she developed and pursued her goals.

Later, Isabella participated in a business plan design competition for high school students, through which she gained experience creating a business plan and working with a team. Building from this experience, she used her new business skills to create a tutoring club for her high school. In college, she has started to integrate those early entrepreneurial experiences with her nonbusiness coursework to come up with her unique business goal. Specifically, her photography class heightened her interest in travel, tourism, and the value of gaining firsthand experience in the world, and her Latino studies class made her aware of the problems in underdeveloped countries and how she could contribute to improving them. She took lessons from these courses, integrated them with her entrepreneurship experience and hotel experience and created her vision of a hotel business that would bring tourists to developing countries.

Financial risk tolerance. Isabella’s survey responses suggested that she is highly risk tolerant when it comes to financial matters; however, in her interview, she rarely mentioned money or finances in relation to her business goals. She did not discuss the monetary aspects of her past business ventures, and although she described her brother’s childhood efforts to raise money, such as selling candy, she said she never did anything like that. She expressed no interest in the economic aspects of business and said that she plans to transfer to a university that offers a business major without a requirement to double major in economics. Overall, Isabella seems to avoid the financial aspects of her business goals, including the prospect of financial risk.

Social support for entrepreneurial goals. Unlike Dustin and Sohan, Isabella does not have an entrepreneurial parent. However, she does have a close family friend who is an entrepreneur. She described being inspired by her friend’s father, who started a successful restaurant business despite not having any relevant knowledge or experience, and admires his persistence in the face of adversity. Beyond that, she did not identify any role models for entrepreneurship but discussed other adults in her life who supported in pursuing her goals. Her parents provided encouragement for whatever career she chose and the security that they will be there for her no matter what happens. Her teachers motivated her to go to college so that she could broaden her perspective, knowledge, and options.

DISCUSSION

Entrepreneurship is vital for economic growth (Clifton, 2011), and enhancing the development of a cadre of young entrepreneurs can be a key contributor to such progress. Yet, despite the creative use of extant longitudinal data sets to predict later-life entrepreneurial activities from early-life personal and social relational characteristics (e.g., Schmitt-Rodermund, 2004, 2007; Schröder & Schmitt-Rodermund, 2007), there have been no longitudinal studies explicitly designed to understand the development of (i.e., intraindividual change in) entrepreneurship among late adolescents or young adults (Damon & Lerner, 2008). That is, previous research has instead conducted predictive analyses or relied on the retrospective analysis of data collected for other purposes (e.g., Schmitt-Rodermund, 2007; Schoon & Duckworth, 2012). There has been little elucidation of how, within the relational developmental system (Overton, 2013), attributes of individuals and contexts combine to shape the trajectories of entrepreneurs. This article presents preliminary results from the first wave of the YES Project, which will eventually allow for such longitudinal analyses. Our article used mixed-methods triangulation of the intraindividual and contextual factors that may foster the development of youth entrepreneurship, providing key information about future, longitudinal analyses. More specifically, we
used information from our qualitative interviews to provide idiographic descriptions of our nomothetic quantitative results.

Although we generally found agreement among our quantitative results and qualitative examples, the level of agreement differed across predictors. We found the most consistent agreement for the importance of self-regulation as a predictor of entrepreneurial intent and found the least consistent agreement for the role of financial risk tolerance. Given the small subsample of interview data, we did not find sufficient material to differentiate between innovation orientation and the components of self-regulation that also deal with innovation (e.g., novel goal selection).

Concerning intentional self-regulation, our initial quantitative results indicated that all aspects of self-regulation significantly and positively correlated with our measure of entrepreneurial intent, supporting the importance of self-regulation for entrepreneurship discussed by Damon (2008). These results also generally held in our multilevel regression analyses, with the selection of novel goals and the optimization of goals using novel means positively predicting entrepreneurial intent. The optimization of goals through persistence negatively predicted entrepreneurial intent after controlling for all other predictors. Future research is needed to determine whether this finding represents a sample-specific phenomenon or whether a suppression effect exists in the population. For example, it is possible that persistence may interfere with entrepreneurial inclinations after controlling for goal optimization through novel means by stifling innovation.

Our qualitative interviews largely supported the importance of intentional self-regulation among highly entrepreneurial interviewees. In regard to goal selection, our interviews highlighted that one participant, Sohan, engaged in challenging goals, for example, entering large business competition in ninth grade. Another participant, Isabella, pursued need-fulfilling goals, starting a tutoring club and bringing tourism business to developing countries, and the third participant, Dustin, selected goals that engaged him in the pursuit of innovative ideas. Our interviewees also displayed high levels of goal optimization, with Sohan finding novel solutions using available resources in innovative ways, Dustin describing himself as a self-starter who is driven to succeed, and Isabella taking advantage of resources such as business learning opportunities and integrating them with material from her courses to develop an innovative, personal vision. Finally, our interviewees displayed high levels of compensation, with Sohan redirecting his efforts to new challenges that would help him meet his goals when he failed and Dustin strategizing in the face of failure and trying multiple different ways to solve problems and achieve his goals, for example.

Our qualitative and quantitative results displayed less agreement for the role of important role models, however. Our quantitative data found only weak correlations between entrepreneurial intent and having either an entrepreneur for a parent or for having an adult mentor. Similarly, neither of these variables predicted entrepreneurial intent in our final regression model. These results suggest that having an entrepreneurial parent may be one path toward entrepreneurship, but having an entrepreneurial parent does not in and of itself necessarily motivate individuals to entrepreneurship. These results thus contradict previous findings that have suggested a relationship between parents' entrepreneurship and adolescents' entrepreneurial intentions (e.g., Schoon & Duckworth, 2012). Future research should more fully explore which factors may moderate the relationship between parental entrepreneurship and youth entrepreneurial intentions (e.g., as done by Schröder, Schmitt-Rodermund, and Arnaud, 2011).

By contrast, our qualitative results suggested that having an entrepreneurial role model may support young people in developing entrepreneurial intent; all three interviewees discussed the presence of at least one entrepreneurial or self-employed role model. Dustin saw his realtor father as a role model in terms of lifestyle and social values. Sohan started to connect with his father through their shared interest in business.

Isabella did not discuss an entrepreneurial parent, but mentioned a family friend who successfully started a business. However, the “important others” who were most relevant to her goal pursuits were her parents who encouraged her to pursue her dreams, whatever they may be, and provided her a safety net that enabled her to take risks in doing so. Sohan and Dustin, on the other hand, are pursuing an entrepreneurial path out of pure interest in entrepreneurship. Their primary sources of inspiration in their goal pursuits are the models provided by their entrepreneurial parents. Furthermore, Sohan and Dustin both appear to have more immediate and activated entrepreneurial intentions, compared to Isabella’s goal, which is a distant vision. It may be that these different types of entrepreneurial intent are enforced by the presence or lack of an entrepreneurial parent.
Results for the presence of adult mentors also need future exploration. Although researchers have hypothesized that important role models and mentors may be important for entrepreneurship (e.g., Schröder & Schmitt-Rodermund, 2007), our measure did not specify an entrepreneurial mentor. As such, the generality of our mentoring measure may have contributed to the absence of statistically significant effects. In addition, our interviewees all discussed having an entrepreneurial adult in their lives, but did not directly address whether these individuals served as role models or personal mentors. The presence of an imitable role model may therefore be more important than the presence of a personal mentor, and future studies will need to parse the two more clearly.

Our quantitative and qualitative results displayed the weakest agreement for the relation between financial risk tolerance and entrepreneurial intent. Consistent with Damon’s (2008) description of entrepreneurs, financial risk tolerance positively correlated with and predicted entrepreneurial intent in our quantitative models. Additionally, all three of our interviewees scored high (i.e., above the median and in some cases above the third quartile) on our measure of financial risk tolerance. Nevertheless, the attitudes and experiences described in their interviews suggested their risk tolerance might only be hypothetical at this point in their lives: a characteristic they recognize as admirable and important to entrepreneurship, but one that they cannot fully relate to yet. For instance, Dustin recognized the need for financial risk taking in entrepreneurship and considered his own risk aversion to be a weakness. Lack of money was a reality for him, and he adapted by finding ways to use money wisely and come up with business ventures that require minimum investment rather than taking risks with money he did not have. Similarly, Sohan did not describe any financial risk-taking activity but spoke in the abstract about the extreme financial risks entrepreneurs take and also saw the learning benefits gained by entrepreneurs when they take financial risks. Isabella described avoiding economics courses, did not think much about the financial aspects of her business plans, and admired risky entrepreneurs but said she could not take the risks they take. When asked about risk, both Sohan and Isabella described academic decisions such as selecting certain courses or going to a college far from home as being the most risky things they have done. Financial risk seemed to be a distant idea to both participants. Future research must disentangle the endorsement of risky behaviors on a questionnaire and the actual behaviors displayed in youth.

Limitations and the Future of the YES Project
Successful entrepreneurship entails capable individuals making innovative and purposeful contributions to economic and civil society (Damon & Lerner, 2008). Although fostering the development of entrepreneurship in youth therefore makes great sense as a policy goal, little is currently known about how individuals develop the capacities to become successful entrepreneurs, especially during the years of late adolescence and young adulthood, when theory suggests that entrepreneurship skills may develop (Damon & Lerner, 2008). The YES Project represents a first-of-its-kind longitudinal study of the development of entrepreneurship during late adolescence and young adulthood and aims to explore how entrepreneurial intent and capacity develop in young adults.

Questions about how entrepreneurship develops can only be answered with longitudinal data, and therefore the present analysis of first-wave data is insufficient to fully address our developmental hypotheses. These preliminary findings represent an early exploration of our data and will be used in subsequent analyses to revise our research instruments and develop a coding scheme for the interviews. The data exploration used for the present analysis is an important first step in the longitudinal process because it provides a sketch of entrepreneurial intent in young adults. Further data collection and analysis, especially regarding contextual factors, will enable us to explain how and under what conditions entrepreneurship develops.

The current data set is also constrained in that it only contains a limited amount of data, all of which are self-report. The sample also represents an age group unlikely to have made substantial entrepreneurial achievements. The present data therefore limit what we can learn about successful entrepreneurship. Our longitudinal data will include a cohort up to 26 years old, which will increase the likelihood of observing entrepreneurial achievement in our sample and will enable us to better explain how entrepreneurial intention develops into successful entrepreneurial activity. We must also remain cognizant of additional factors that may spur the development of entrepreneurship and try to capture these factors in future waves of the YES Project. For instance, national economic conditions might shape individuals’ per-
ceptions of their employment potential, which could drive or dampen the development of entrepreneurship.

Finally, the present qualitative analyses are limited in that they focused on a small set of cases that demonstrated high entrepreneurial intent. These cases were selected for this analysis to illuminate some of the complexity that we can expect to find in our constructs as this study develops. However, these analyses do not fully represent the findings that should emerge in a more thorough qualitative analysis. In particular, it will be important to compare highly entrepreneurial young adults with those who show positive development but no inclination toward entrepreneurship, to understand the individual characteristics and environmental factors that are conducive specifically to entrepreneurial development. To generate theory that explains entrepreneurial development, the next phase of this study will require interviewees who range from low-to-high entrepreneurship.

In short, the YES Project represents a first foray into the development of youth entrepreneurship from a relational developmental systems perspective. Future work will focus on more fully integrating quantitative and qualitative information across the 3 years of data we plan on collecting. The YES Project therefore promises to shed light on our understanding of youth entrepreneurship and the factors that facilitate its development.

REFERENCES


