

Millennials: A Generation of Un-Entrepreneurs

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Entrepreneurship has been crucial to the U.S. economy and startup rates have been in decline. The paper proposes a part of the decline is generational. Millennials are not generating startup activity at the rate of previous generations even though educational levels are at historic highs and there is a well-supported research link between education and entrepreneurial activity. The paper proposes that common characteristics of millennials and entrepreneurs are nearly exclusive. Implications of this generational skip or delay in entrepreneurship activity, including implications to higher education, are discussed.

INTRODUCTION

The United States, with less than 5% of the world's population, has become its strongest economy, with the highest living standards - because of its culture of entrepreneurship (Carland & Carland, 2015; Greenspan & Wooldridge, 2018; Harrison, 2013). The United States is a young country, built from a clean slate, on the backs of immigrant entrepreneurs and through multiple eras of creative destruction (Greenspan & Wooldridge, 2018; Schumpeter, 1942). Entrepreneurship has been described as “the soul of the American economy” (Dearie & Geduldig, 2013). Startups, defined as businesses in operations less than one year, have historically been responsible for the majority of U.S. job creation (Long, 2016) and small businesses, including startups, have contributed over 50% of GDP (SBA.com, 2017). For several decades, and especially since the 2008 financial crisis, the rate of new business startups has plummeted (Fairlie, Morelix, Reedy, & Russell, 2015), new firm exits are exceeding new entries (Morelix, Fairlie, Reedy, & Russell, 2016) and large corporations have overtaken small firms as the majority employers and the dominant source of GDP growth (BLS.com, 2017).

While startups are at an all-time low, education levels, historically linked to entrepreneurial activity, are at an all-time high. More Americans are earning degrees in every category, including high school, associate's, bachelor's, masters and doctorates (Rampell, 2013; Ryan & Bauman, 2016; Wilson, 2017). Attainment of a high school diploma, now 92%, has exceeded goals established by former President Obama, and bachelor's degree attainment has climbed to 25%, among 25-29-year-olds, 37% overall (NCES, 2017). Further, access to entrepreneurship education is ubiquitous in higher education (National Survey of Entrepreneurial Education, 2014; Struckell, 2018).

Prior research has supported a positive and significant link between education and entrepreneurial intent, career choice, and performance (Eesley & Roberts, 2012; Lofstrom, Bates, & Parker, 2014; Marvel, Davis, & Sproul, 2016), but a recent study exposed a paradox – how can startup activity be at an all-time low, while education levels are at an all-time high (Struckell, 2018). Increased education should be cultivating more, not less entrepreneurs and generating significantly higher levels of startup activity.

Explanations for the decline in startup activity have been proposed (Struckell, 2018), including excessive tax and regulatory burden (Casselman, 2017; Dearie & Geduldig, 2013; Greenspan & Wooldridge, 2018), access to capital (Buchanan, 2017; Greenspan & Wooldridge, 2018; Wack, 2018; Wilmoth, 2016), demographic shifts (Lowell W. Busenitz & Barney, 1997; Dotsey, Fujita, & Rudanko, 2018; Stein, 2013), and increasing power of large superpower corporations smothering smaller competitors (Casselman, 2017). This study bores down into one explanation of this paradox and its implications– that the Millennial generation is not the generation of entrepreneurs, previously forecasted.

The Kauffman Foundation (2016) suggests Millennials can help reverse the situation - they certainly have had more exposure to entrepreneurship, higher levels of education than previous generations and they now represent the majority of the U.S. working population. One study finds that 60 percent of Millennials already consider themselves entrepreneurs, and 90 percent of Millennials recognize entrepreneurship as a mentality (Hysen, 2016). So far, Millennials are not starting businesses or “living up to their entrepreneurial reputation” – mentality is not converting into startup activity (Thompson, 2016). The rate of new business formation for young Americans (20-34) has fallen sharply since 2010 as the millennials have moved into that age group. Only 3.6% of households headed by adults under 30 years of age own shares in private companies – a 25 year low in young entrepreneurs (Jennings, 2015). The share of people under 20 who own a business has fallen by 65 percent since 1980 (Thompson, 2016). In fact, John Lettieri, co-founder of the Economic Innovation Group suggests, “Millennials are on track to be the least entrepreneurial generation in recent history” (Thompson, 2016, np).

The study provides a plausible explanation for the lack of entrepreneurship productivity among the Millennial generation focusing on two factors (propositions) – contradictory characteristics between prototypical Millennials and prototypical entrepreneurs and high student debt levels. The implications of this study could be significant to the economy, policy and education but the study focuses on higher education.

LITERATURE REVIEW AND BACKGROUND

Millennials Generation Overview

Millennials are known as Generation Y, Generation Me, Generation Next, Trophy Generation, and Echo Boomers (Dalton, 2014). Members of the generation were born between 1980 and 1996, making the youngest Millennial 22 years-old and the oldest, 38 (Howe & Strauss, 2009; Kessler, 2016; PEW, 2007). Millennials comprise approximately 85 million Americans (1.7 billion worldwide), making them the largest generation in the population today, and the majority workforce (Horsaengchai, 2011; Kessler, 2016). In fact, by 2025 Millennials will represent 75% of the U.S. workforce (Kessler, 2016).

The Millennial generation is characterized as unique to previous generations – Baby Boomers (1946-1964) and Generation X (1965-1979) (Horsaengchai, 2011). A generation is an identifiable group of the population (a cohort) that shares birth years (~20 year spans) and thus historical events that impact the generation’s perceptions and outcomes (Dimock, 2010; Kessler, 2016; Smola & Sutton, 2002). Defining events that shape this generation’s perspective include 9/11 and the war on terror, mass school shootings, the financial crisis and 2008 recession, technology advances providing connection and access, the election of the first black President (Kessler, 2016).

While sub-groups and individuals within a generation may be unique, the cohorts have been found by demographers to share relatively stable similarities (Kupperschmidt, 2000). Much has been written about the Millennial generation, beginning with the seminal work of Howe and Strauss (2009): *Millennials Rising: The Next Great Generation*. According to Pew Research, the generation is the most technologically savvy, most ethnically diverse, and the most highly educated generation in history (PEW, 2007). More than one third of the generation is on track to earn at least a bachelor’s degree (Twenge, 2013). Millennials represent the most socially and ethnically diverse generation in history with 44% racial and ethnic minority representation (Frey, 2018). Millennials are the first generation to grow up with technology, playing educational computer games at age 3, owning a phone by age 8. They are the most technology savvy generation in history - connected 24/7, they expect immediate response and are trained

multi-taskers (McMahon & Pospisil, 2005). In fact, one study suggests their brains are wired differently as a result of growing up in a digital realm (Dalton, 2014). The Millennials are saddled with \$1.7 trillion in student loan debt that they will be paying for decades (Zetlin, 2017) which maybe one of the reasons why more than 30% of Millennials are single and living at home with their parents, suggesting a slow journey to maturity and independence (Stein, 2017).

So, what defines this generation and its idiosyncratic characteristics relative to previous generations? Millennials are a by-product of their Baby Boomer parents – many of whom were latchkey kids with a significant amount of autonomy and little supervision. The reaction was child-centric parenting which included overprotection, over programming, and inflated self-esteem (Dalton, 2014). Parental involvement in children's homework, play dates and sporting events has become known as helicopter parenting. Concerned for child safety, parents of millennials scheduled play dates rather than allow children to play freely outdoors. Wanting the best for their children, millennial parents enrolled their children in soccer, music lessons, and other structured activities as early as 2 or 3 years old. Likewise, to encourage self-esteem which was found to be correlated with success in school and higher paying jobs, the millennial child was rewarded for everything without differentiation based on performance, promoting one of the generation's labels - trophy kids (Howe & Strauss, 2009).

Second, many Millennials watched their boomer parents work long hours, devoted to their jobs, only to become unemployed during the recession. Long hours at work and overly child-centric parents, led to high divorce rates. The recession, workaholic parents and high divorce rates influenced the millennial generation perception of work centrality.

The Millennials are not producing their fair share of startups

Millennials were once forecasted to be the most entrepreneurial generation in history (Kauffman Foundation, 2015; Hollenhorst, 2016). Millennial Magazine claims that “60 percent of all Millennials consider themselves entrepreneurs, and 90 percent recognize entrepreneurship as a mentality” (Thompson, 2016). The data would suggest that “mentality” is not converting into activity.

Reports provide documentation that the representation of entrepreneurship by our younger generation has declined markedly. Kauffman Foundation reports that in 1996, those 20-30 years of age, generated 35% of all startups, however in 2014, the percentage had plummeted to 18% (Fairlie et al., 2015). As Millennials have moved into the 20-34-year-old age group, the rate of new business formation for young Americans has fallen sharply. Only 3.6% of households headed by adults under 30 years of age, own shares in private companies – a 25 year low (Jennings, 2015). Likewise, the percent of people under 20 who own a business, has fallen by 65 percent since 1980 (Thompson, 2016). In fact, John Lettieri, co-founder of the Economic Innovation Group suggests, “Millennials are on track to be the least entrepreneurial generation in recent history” (Thompson, 2016, np). Entrepreneurship is lower among Millennials than any other generation in history. In 2014, less than 2 percent of Millennials were self-employed compared with 8% for the previous two generations, at the same age, and Millennial self-employment is projected to remain low for multiple decades (Wilmoth, 2016).

The U.S. economy is counting on Millennial entrepreneurship productivity. Millennials are the most educated and yet, the least productive generation when it comes to entrepreneurship in history. The following section sets forth two propositions that seek to provide a plausible explanation in the gap in Millennial entrepreneurship productivity and its implications.

TWO PLAUSIBLE EXPLANATION FOR THE LACK OF MILLENNIAL ENTREPRENEURSHIP

Proposition 1: Common Millennial Attributes Are Not Positively Correlated with the Most Common Characteristics of Entrepreneurs. Millennials are not Entrepreneurs

Demographers support the stability of generation level cohort similarities, even though subgroup differences exist (Kupperschmidt, 2000). What follows is a synthesis of common attributes of the

Millennial generation found in literature, a similar list of common characteristics of entrepreneurs, and a comparison of the two.

Common Millennial Attributes

A summary of common millennial characteristics is included in Table 1. Emerging from the list of attributes, across sources, is a set of nine characteristic themes, including narcissism, over-confidence, impatience, need for a nurturing work environment, low trust outside of family and friends, need for constant affirmation and direction, multi-tasking/shallowness, work/life balance, and optimism.

Narcissism and entitlement. Narcissism is defined as excessive interest in oneself, extreme selfishness, self-centeredness and self-absorption (webster.com, 2017). The rate of Millennial narcissistic personality disorder is three times higher than any other generation in their 20's (Stein, 2017; Twenge, 2013). Some blame the "trophy for every child" and overly kid-centric parenting for the narcissism and entitlement mentality (Howe & Strauss, 2009). As Millennials have moved into adulthood, more recent research reveals they have low empathy for others, lack of affiliation (military and religious), and limited interest in civic activity (Pew Research Center, 2014; Stein, 2017; Twenge, 2013). Their inflated self-absorption and perception leads to unrealistic expectations in the workplace regarding rewards versus the effort expended (Dalton, 2014; Ng, Schweitzer, & Lyons, 2010; Twenge, 2010).

Over-confidence is a mis-calibration between an individual's subjective confidence in judgement versus the objective accuracy of those judgements (Porter, 2017). In an effort to build self-esteem in their children, Millennial parents created a level of over-confidence without the required support of experience (Kessler, 2016). Earlier studies of Millennials describe the generation as confident (Thompson, 2011; Howe & Strauss, 2009) but more recent research describes the common attribute as over-confidence and suggests a significant challenge for employers to balance development needs with affirmation and Millennial desire for status and prestige (Kessler, 2016).

Impatience and need for immediate gratification and affirmation. Growing up in the digital era has conditioned Millennials to have access to nearly anything they want, when they want it. They have an intolerance for delays and unrealistic expectations concerning speed of career advancement (Dalton, 2014; Horsaengchai, 2011). The generation is considered high maintenance in the classroom and workplace because of their need for continuous feedback and affirmation (Kessler, 2016; Martin, 2007; Phillips & Trainor, 2014; Twemge. 2010; 2013). When Millennials do not feel they are being rewarded quickly enough they job hop (Stein, 2017). Latest studies suggest Millennials will change jobs an average of nine times before the age of 50 and will seldom stay in any position longer than 24 months (Kessler, 2016). They become easily bored and disengaged and therefore require constant feedback and job stimulation (Kessler, 2016).

Desire for a nurturing environment, with training and development and friendly relationships with co-workers and supervisors (Horsaengchai, 2011; Kosinski, 2014; Ng et al., 2010; Stein, 2017). Millennials respect convention (Horsaengchai, 2011; Howe & Strauss, 2009; Thompson, 2011), hierarchical organization structure, and seek training, direction and skill development in their jobs (Kosinski, 2014). Conditioned by helicopter parenting, they enjoy schedules and frameworks to guide them and they are less comfortable working in a spontaneous, unstructured environment (Kessler, 2016). Generally, they are used to casual relationships with adults and expect the same with co-workers and supervisors. They enjoy working in teams and around other people as opposed to working alone (Howe & Strauss, 2009; Thompson, 2011).

Life/Work balance, work centrality, work ethic. Nearly every study of Millennials discusses their priority for work/life balance (Dalton, 2014; Horsaengchai, 2011; Ng et al., 2010; Twenge, 2010; 2013). Millennials have high expectation for workplace advancement but an even higher priority for balance in their lives (Ng et al., 2010). Millennials have been impacted by workaholic parents that were overly child-centric leading to a high divorce rate. They also saw their parents work long hours as loyal employees become the victims of corporate downsizing during the recession and "they are choosing making a life over making a living" (Zhang et al., 2007, 174). As a result, work centrality and work ethic are less important to Millennials than previous generations (Kessler, 2016; Twenge, 2010).

Closeness with family and friends and low social trust. Not surprising, given the high level of parental involvement in their lives, and the fact that many millennials still live at home, they remain close to parents and family (Dalton, 2014). In a Pew Research report (2007), 80% of Millennials surveyed had communicated with their parents in the past day. And, while Millennials are also close and connected to friends they have a low social trust beyond family and friends (Pew Research Center, 2014; Twenge, 2013). In a Pew Research Center survey of Millennial adults (2014), only 19% believed that most people can be trusted as compared to 31% of Generation X, 37% of Baby Boomers, and 40% of Silent generations (Pew Research Center, 2014). This characteristic may be related to their low level of affiliation (Kessler, 2016). They tend to be loyal to people and not to companies (Kessler, 2016).

Shallow, multi-taskers (Dalton, 2014; Stein, 2017). Millennials have been conditioned to multi-task from youth - forced to juggle school work, soccer, music lessons et al (Howe & Strauss, 2009). Their 24/7 digital connection also trains multi-tasking. They have learned to seek quick answers from the internet rather than deeper understanding - skimming (Stein, 2017). They are ready to job hop when things stagnate or get complicated rather than stick around and invest more deeply in the current job and company (Kessler, 2016).

Optimistic and accepting. While challenging in a work environment, because of their demands for attention and affirmation, the generation is collectively optimistic and accepting of differences (Dalton, 2014; Horsaengchai, 2011; Pew Research Center, 2014; Stein, 2017) – they are the most socially and ethnically diverse generation in history. For example, they grew up with the first black President and the successful movement to honor gay rights (Frey, 2018).

**TABLE 1
COMMON CHARACTERISTICS OF MILLENNIAL GENERATION**

Reference	Characteristics
Pew Research, 2007; 2010; 2014	Special, linked to friends 24/7, micro-celebrities, low trust, open to diversity – accepting, unaffiliated, optimistic, burdened by debt, close to family, seek constant affirmation
Ng, Schweitzer & Lyons, 2010	Career implications – desire rapid advancement, unrealistic expectations for rewards for performance, work life balance – skewed to life, nurturing work environment with relationships with co-workers and supervisor
Twenge, 2010; 2013	Willing to settle for less than ideal job, interested in staying with one company, seeking training and skills, expect rapid promotion, require work / life balance, statistically significant narcissism, weaker work ethic, less work centrality, high maintenance students and workers, lower empathy level for others, little civic involvement
Horsaengchai, 2011	Special, sheltered, confident, team-oriented, achievement oriented, educated, connected, authentic, desiring work/life balance, seeking continuous development, comfortable with hierarch and direction
Stein, 2013	Lazy, entitled, shallow, selfish, narcissistic, over-confident, stunted by over protective parents and still living at home, high unmet expectations, anxiety afraid of missing out on something better, job hopper, nice, positive, hierarchical, cut corners looking for better ways , unaffiliated.
Dalton, 2014	Desire instant gratification, impatient, technology aptitude, digital communicators, inflated self-esteem, strong parental relationship, superficial/skimmers, multi-taskers, unrealistic expectation of salary and promotion speed, optimistic, work/life balance
Kosinski, 2014	Job hoppers, boundaryless careers, desire to grow and learn , relationship0 with parents, friends and supervisors

Common Characteristics of Entrepreneurs

As in other disciplines, entrepreneurship scholars have debated whether entrepreneurs are “born or made” – the nature versus nurture debate (Nicolaou & Shane, 2009; Rodrigues, Dinis, Paco, Ferreira, &

Raposo, 2012). Through a study of identical twins, separated at birth, it was determined that about one third of creativity comes from genetics (Dyer, Gregersen, & Christensen, 2007). As much as 40% of explained variance in entrepreneurship tendencies has been attributed to genetics (Zhang et al., 2009). The slightly greater portion comes from the development of human capital through experience and education. Most scholars in the entrepreneurship discipline believe that entrepreneurship can be learned, encouraged, and developed (Kuratko, 2005). It seems reasonable to believe that genetics influences entrepreneurial disposition and environmental factors are likewise determinants of whether one grows up to be an entrepreneur (Nicolaou & Shane, 2009). Regardless of how the characteristics of an entrepreneur are manifested, there is some level of consensus around a core set of attributes (Table 2).

A synthesis of entrepreneurial characteristics from eight notable and highly cited sources includes seven common characteristics, including confidence, self-efficacy, locus of control, risk taking propensity, need for achievement, tolerance for ambiguity and independence /autonomy (Hmieleski & Baron, 2016; Holland & Shepherd, 2013; Miller, 2014; Nicolaou & Shane, 2009; Park & ku, 2008; Rodrigues et al., 2012; Shane, 2003; Shane, Locke & Collins, 2003). Each of these characteristics is briefly discussed.

Entrepreneur confidence. In the context of entrepreneurship, confidence is associated with optimism on the positive dimension and power on the negative dimension (Nicolaou & Shane, 2009), and it has been found to be positively associated with the ability to exploit entrepreneurial opportunities (Busenitz, 1999). Confidence enables an individual to take action and make decisions in situations where they may not have all of the necessary information (Shane, 2003). Entrepreneurial confidence is often directed more toward venture confidence rather than self-confidence. And while it is helpful in driving entrepreneurial activity, over-confidence has been found to be negatively associated with entrepreneurial performance (Miller, 2014). Confidence is important to entrepreneurs' ability to exploit ventures, make decisions and persevere (Nicolaou & Shane, 2009; Busenitz, 1999; Shane, 2003; Miller, 2014)

Self-efficacy has been found to be an important characteristic of leadership. It is defined as "one's judgments of how well one can execute courses of action required to deal with prospective situations" (Bandura, 1982, 122) - one's own assessment of their capabilities and skills to accomplish a particular task. Self-efficacy has been found to be positively related to goal orientation and other motivational traits such as the need for achievement (Chen, Gully & Eden, 2000). In the context of entrepreneurship, it refers to the individual's assessment of their ability to effectively "muster and implement the necessary personal resource, skills and competencies to attain a certain level of achievement on the implementation of entrepreneurial behavior" (Baum, Lock & Smith, 2001, 587).

Locus of control is the belief that desired effects result from one's own behavior rather than by fate or others with power (Judge et al., 1997). Individuals with an internal locus of control believe that their destiny is in their own hands, while those with an external locus of control believe that their life is controlled by external factors including change, fate or others with power (Rotter, 1966). An entrepreneur takes their destiny in their own hands through self-employment and creation of their own venture. Researchers have found that entrepreneurs have a more internal locus of control than the population as a whole and managers as a group (Shane, 2003). Entrepreneurs have a low need for status and power and high ability to handle change (Shane, 2009).

Propensity or Tolerance for Risk Taking is inherent in the uncertainty of entrepreneurial activity as failure rates are cited as greater than 50% (Busenitz, 1999; Piperopoulos & Dimov, 2015). Individuals with a higher risk-taking propensity are more likely to exploit entrepreneurial opportunities and have a greater preference of entrepreneurial versus traditional roles (Shane, 2003). Stewart & Roth (2001) provided a strong link between risk-taking propensity and entrepreneurial pursuit in a meta-analysis.

Commitment, persistence and desire to achieve. Need for achievement refers to an individual desire for accomplishment. McClelland (1961) defined the achievement motive as "expectation of doing something better or faster than anybody else or better than the persons' earlier accomplishments." He found that founders of business have a higher-level need for achievement and that this motivation is a significant influencer of performance. This achievement orientation is related to entrepreneurial

persistence which occurs when the entrepreneur continues to pursue an opportunity regardless of others input to the contrary or alternative options (Hmieleski & Baron, 2016; Holland & Shepherd, 2013).

Tolerance for ambiguity is related to risk tolerance. Individuals that avoid uncertainty have a low tolerance for risk and high fear of failure (Bae, Qian, Miao, & Fiet, 2014). The essence of entrepreneurship is the ability to plot a new course as yet unproven which comes with a significant level of uncertainty and ambiguity (CFEE, 2014). Tolerance for ambiguity has been found to be a determinant of entrepreneurial intention (Rodrigues et al., 2012).

Desire for Independence means that an individual prefers to engage in independent rather than group action. People with a strong desire of independence and autonomy are more likely to exploit entrepreneurial opportunities and have a bias toward self-employment over traditional employment, as they are comfortable directing their own efforts rather than following the direction of others (Shane, 2003; Miller, 2014). Studies have found that entrepreneurs desire a greater level of independence than the general population (Hornaday & Aboud, 1973; McClelland, 1961; Holland & Shepherd, 2013). Entrepreneurs are self-motivated (Shane, 2009).

TABLE 2
COMMON CHARACTERISTICS OF ENTREPRENEURS

Reference	Characteristics
Shane, 2003	Extraversion, low agreeableness, risk taking propensity, independence, CSE, overconfidence, representativeness, intuition
Shane, Locke, Collins, 2003	Need for achievement, Risk taking propensity, tolerance for ambiguity, locus of control, self-efficacy, goal setting
Park & Ku, 2008	Risk tolerance, self-confidence, need for achievement, tolerance for ambiguity, innovativeness
Nicolaou & Shane, 2009	Tenacity, passion, vision, need for achievement, locus of control, self-efficacy
Rodrigues, Dinis & Paco, 2012	Risk tolerance, self-confidence, need for achievement, tolerance for ambiguity, innovativeness
Holland & Shepherd, 2013	Persistence
Miller, 2014	Over-confidence/optimism, overachievement, need for control, CSE, autonomy/independence
Hmieleski & Baron, 2016	Optimism

Comparison of Millennial and Entrepreneurial Characteristics

After a review of the literature regarding common characteristics and attributes of the Millennial generation and typical entrepreneur, six attributes of contrast supporting the proposition that Millennial characteristics do not – on the surface – align with those of a typical entrepreneur (Table 3).

First, Millennials are narcissists, focused on themselves (Twenge, 2013), while successful entrepreneurs are more singularly focused on the success of their project or venture, demonstrated by a high need for achievement (McClelland, 1987) and perseverance. Next, Millennials are used to getting things they want quickly, and with superficial effort. While they claim to be achievement oriented, Millennials are motivated by status and prestige over hard work (Kessler, 2016). Entrepreneurs on the other hand are relentless in their pursuit of their goal and do not value status and prestige. Millennials are impatient, job-hopping when the next promotion does not come soon enough or when a better offer comes along (Dalton, 2014; Ng et al, 2010; Twenge, 2010). Entrepreneurs are focused and persistent in the face of adversity (Hmieleski & Baron, 2016). While Millennials are considered high maintenance in the

classroom and workplace, requiring continuous feedback, nurturing and direction (Martin, 2007; Phillips & Trainor, 2014; Twenge, 2010), the entrepreneur is fearlessly independent, in control of their own destiny and confident in their own capabilities and skills to accomplish a particular task (Miller, 2014; Shane, 2003). Millennials watched their boomer parents become slaves to work and as a result they place a high priority on leisure time and life/work balance (Dalton, 2014; Howe & Strauss, 2009). Work centrality is therefore less important to Millennials and generally they have been found to have less of a work ethic when compared to their boomer parents (Dalton, 2014; Horsaengchai, 2011; Ng et al., 2010; Twenge, 2010) and certainly when compared to entrepreneurs (Hmieleski & Baron, 2016; Holland & Shepherd, 2013). Finally, Millennials have been characterized as shallow, skimming, multi-taskers (Dalton, 2014; Howe & Strauss, 2009; Stein, 2017). Entrepreneurs on the other hand, are more singularly focused on a venture, more likely to undertake one at a time (Hmieleski & Baron, 2016). Entrepreneurs tend to be the expert across every aspect of the venture (deep and wide) in contrast with Millennials' more superficial skimming.

The qualitative evidence is compelling suggesting that common characteristics of the Millennial are nearly mutually exclusive with those attributes most common to entrepreneurs, supporting the first proposition.

TABLE 3
COMPARISON OF MILLENNIAL AND ENTREPRENEUR COMMON CHARACTERISTICS

Millennial	Entrepreneur
Me Focus	My Project or Venture Focus
Impatient, Need for Immediate Gratification	Persistent, Recognition of process and failure rate
Entitled	Control of destiny, self-efficacy
Needy of feedback, direction, training, development, nurturing environment	Independent, autonomous, often hostile environment, learn OTJ
Priority of life balance, work less central, weaker work ethic	Strong work ethic, 24/7 focus on venture, don't stop until success then start another
Shallow, skimming multi-taskers	Focus on one or several projects deeply, with complexity to achieve success

Proposition 2: High Student Debt is Positively Related to Risk Aversion

A common characteristic of entrepreneurs is a high tolerance for risk taking (Table 2). While a researcher might infer that the Millennial's propensity for training and development and structure might be affiliated with low tolerance for risk, risk aversion nor risk taking propensity were found to be among the most common characteristics of Millennials (Table 1). That said, the Millennial generation is already saddled with \$1.7 trillion in student loan debt that they will be paying for decades (Zetlin, 2017). Student debt impacts 71% of recent graduates with an average debt burden of \$37, 000 and a monthly payment of \$351 (2016 graduates). Further, two thirds drop out before attaining a degree, with an average of \$13,000 in debt to pay without the associated benefit of the degree. Student debt is one of the reasons explaining why nearly one third of millennials aged 18-34 remain single and live at home (Stein, 2017). High debt levels have been found to hamper social life, job prospects, plans for marriage and home ownership (Zetlin, 2017). High personal debt impacts credit and limits access to capital. It makes sense that student debt influences Millennial risk aversion, motivating their desire for a steady pay check over uncertain income and is therefore negatively associated with entrepreneurial startup activity (Hollenhorst, 2016; Stein, 2017; Zetlin, 2017).

The amount of debt and duration of payments (several decades), does not bode well for a near-term reversal of Millennial startup trends, supporting the second proposition that high Millennial student debt levels are increasing risk aversion and negatively influencing start-up activity.

DISCUSSION AND IMPLICATIONS

A conceptual case is presented that millennials may not be a generation of entrepreneurs once forecasted (Kauffman Foundation, 2016; Hysen, 2016). The millennial generation is unlikely to fill the startup pipeline necessary to feed the economy, as has been the case for previous generations. The debt level of the Millennial college graduate is significant. Reports suggest that it will take decades to pay off student loans. In two decades, the next generation will be graduated from college (generation Z). While we have already lost at least a decade of startup activity, this suggests another decade of startup deficit that will be difficult to replace. In addition, the stereotypical millennial does not share entrepreneurial characteristics. Implications of these findings are focused on educators and researchers.

Small business and entrepreneurs have been the backbone of the American economy (Carland & Carland, 2015; Greenspan & Wooldridge, 2018; Harrison, 2013). Now, large corporations have overtaken small business and startups as the majority employer, job creator and GDP growth engine. Millennials have gravitated to a steady paycheck over self-employment. That said, student debt can be attacked. Student debt drives risk aversion and limits the ability of Millennials to consider self-employment. Traditional companies are attracting the lion share of graduates with steady paychecks. Smart companies (i.e. Fidelity, PricewaterhouseCoopers, and Aetna) are offering assistance for employee student loan repayment – it is “the hottest employee benefit of 2017” (Friedman, 2017). The new benefit is a response to a survey suggesting that 76% of respondents would consider a loan repayment program a significant factor to job acceptance.

Behavior change for a generational group is unlikely, but as educators and researchers we are in search for the answer – are the Millennials in a delay or never mode? Many companies are searching for the answer as they attempt to forecast the future needs of what is now the majority population and workforce. Educators need to do the same.

Implications to Educators

The implications for education are the focus for discussion. First, the youngest Millennial, born in 1996, is twenty-two years old and has graduated from college. Educators need to turn their *attention to Generation Z* - the next generation which has been given little attention in research. In the transition from Millennials to Generation Z we can assume similarities between the generations, but we need to be attentive to the unique needs and characteristics of Generation Z and the relative implications to entrepreneurship curriculum.

During informal discussions at a recent USASBE conference (2019), educators estimated fewer than 1% of students in entrepreneurship courses are starting businesses immediately following graduation. Knowing that Millennial graduates are gravitating to steady paychecks, training and the community provided by traditional employment, educators should consider elevating undergraduate and MBA programs focused on corporate entrepreneurship (CE) – an area of education receiving little attention, even in executive programs. Experience as well as education have been found to be positively associated with entrepreneurship. Research suggests that entrepreneurial experience yields more success. Serial entrepreneurs, those individuals who found more than one business, create a disproportionate share of both entrepreneurial firms and economic impact (Eesley & Roberts, 2012). If Millennials are delaying entrepreneurial startups, they can still gain entrepreneurial experience through CE.

Some corporate jobs may provide a higher level of experience and preparation for entrepreneurship than others. Educators and placement offices need to identify such matches. For example, in discussions with several leaders of university incubators with VC backgrounds, the job of investment banking analyst was identified. The job of investment banking analyst is usually a two-year job which often leads to a next job in private equity - a good conduit with ideal preparation for later startup activity. These jobs are highly competitive and require significant financial skills. Do our entrepreneurship majors have the requisite skills to compete for these positions? And further, do employers understand what an Entrepreneurship Major can bring to their company?

Related, given a lower probability for startup activity at graduation, we should be building strong pipelines of internships and paying jobs for our graduates in startups and entrepreneurial firms. Some programs are working toward this concept but it deserves greater attention from universities and specifically entrepreneurship programs.

Noting that the generation may be delayed in their pursuit of entrepreneurship, educators need to be thinking about second generation education for Millennials in their 40s or 50s. In essences, the curvilinear startup age curve suggested by longitudinal studies at Berger and Babson may look more like a “J” than a “U” and entrepreneurship educators may need to be prepared to provide a second wave of education – just in time. Educated Millennials are likely to live much longer than their parents and change careers many more times (Glor, 2012). Educators need to be considering how to support multiple career changes and longer lifespans.

The question remains concerning entrepreneurship education and how it can best serve students and the economy in facilitating startup activity. DNA may influence entrepreneurial disposition but environmental factors are important determinants of whether one grows up to be an entrepreneur and one of the factors is education (Nicolaou & Shane, 2009). Given the difficulty in changing behavior, institutions of higher learning should follow the findings from longitudinal studies conducted at Babson and Berger based on alumni samples. The studies indicate that students that enter their programs with prior entrepreneurial experience yield the highest impact after graduation (Charney & Libecap, 2003; Lange et al., 2014). This learning would suggest that identifying and supporting the highest potential entrepreneurs, those with pre-education intent and experience, can be cultivated more aggressively (Rodrigues, Dinis, Paco, 2012). VC firms are now two times more likely to invest in a known entity versus seeds. Given competition for educational resources, business schools should consider a similar approach and be more selective in identifying and supporting students with the highest potential.

Implications to Scholars and Researchers

Future research is planned to empirically test the propositions presented in the study. Given the differences in Millennial population from previous generations, researchers, across all disciplines need to carefully question the application of findings from prior research based on adults of previous generations to Millennial populations. This implication suggests a smorgasbord of potential replication research – comparing results of previous studies with results using a different population or context. While viewed as less popular among researchers as compared to more novel studies, replication research is important – critical in pure science. A special issue was recently dedicated to replication in strategic management by the Strategic Management Journal (2016).

As noted, students can no longer be utilized as a legitimate Millennial population. Researchers and educators need to turn their attention to yet another generation, Generation Z, to understand if the Millennial characteristics are likely to be inherited or adopt new attributes that are more aligned with entrepreneurs.

Future research should be conducted to identify the actual percentage of graduates starting businesses immediately after graduation. Empirical rather than antidotal support could be instrumental in rethinking the balance and focus of education.

Finally, The combination of debt, living at home and a general feeling of time and options has resulted in a delay in Millennial marriage (Stein, 2017) and entrepreneurship activity (Morelix et al., 2016). It remains to be seen if the what is characterized as a delay will actually happen –delay or never? Future research could be dedicated to a better understanding of this open generational issue.

CONCLUSION

The proposed paper raises awareness that entrepreneurship startup activity is in decline. Literature has provided evidence of a strong link between education and entrepreneurial activity. Yet, while education is at an all-time high, entrepreneurial activity appears to be at a low point. The paper proposes that at least one significant driver of the decline in entrepreneurial startup activity is that the millennial generation is

not a generation of entrepreneurs as previously forecasted. Two propositions are presented to support the argument. First, that attributes common to the Millennial generation are misaligned with the common characteristics found in entrepreneurs. Second, a high level of student debt is likely driving risk aversion among affected Millennial graduates, making choice of entrepreneurship unattractive versus a stable paycheck. Implication to higher education are significant as discussed.

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