Introduction

Few members of society face a transition in life as unique and challenging as those military veterans (hereafter we will simply use “veteran”) faces. Upon returning to ‘civilian life’, veterans must considerably alter their norms, values, attitudes, and even identity to fill their new roles (e.g., Haynes & Shepherd, 2011; Nicholson, 1984).

Veterans may find it difficult to seek out appropriate job opportunities (e.g., Beauchesne & O’Hair, 2013; Bolden & Maury, 2017). Veterans develop crucial skills and capabilities desirable for entrepreneurial; thus, it is not surprising that veterans tend to have a higher rate of self-employment than non-veterans (Hope et al., 2011). Research investigating the potential link between entrepreneurship and the transition from military to civilian life is warranted. Such research will help promote entrepreneurship among veterans and thus support the public endeavors to nurture entrepreneurship within this unique and vital population.

To fill the research gap, in this study we answer the question: how do social networks influence veterans’ entrepreneurial intentions (EI) via their perceived likelihood of resource acquisition from social networks?

Literature Review

Entrepreneurship Intention and Veteran Entrepreneurship

The importance of EI (entrepreneurial intentions) in starting a business, when intention represents an individual’s commitment towards the desired outcome (Batra, 1981; Krueger & Reigold, 1993). These intentions guide the entrepreneurial goal setting, communication, organization, or merely speaking, their actions and behavior.

Research on the transition from military to civilian life and how the transition influences entrepreneurial intention remains remarkably limited. There are no studies that have investigated the effects of veterans’ networks on their EI, although entrepreneurship studies have long emphasized the importance of networks on entrepreneurship (Haynie & Hope, 2013).

Social network theory and institutional theory

Therefore, in this study, military and civilian networks of veterans can increase their perceived likelihood of resource acquisition (Zhang, Soh, P.H., & Wong, P.K., 2010) as positively influence their entrepreneurial intention.

Veteran Entrepreneurship and Social Capital

Social networks can significantly influence entrepreneurial behavior and outcomes (Rutashobya, Albin, & Nilsson, 2009). Prior research has largely studied the effects of social networks in single institutional context, and the impacts of social networks across different environments are rarely examined.

Institutional theory suggests that the institutional environment may influence network strategy, and that the structure of the networks. Studies also identified the institutional factors (regulations, norms, and culture) that influence entrepreneurial intention. This paper examines the impact of social networks across different environments.

Method and Data Collection

Data Collection: Online questionnaire survey used to select veteran students from Old Dominion University, in the United States. Prior to distribution of the online questionnaire survey, several veteran students in different schools were interviewed to collect the insights, develop, and improve the questionnaire.

Sample Size: 1,177 veteran students currently residing in the United States. A total of 120 complete questionnaires with good quality were involved, representing 23% response rate.

Data Analysis: Statistical analysis of both descriptive and inferential tests was used in the study. The main statistical analysis was conducted using SPSS, 19 software.

The average age of the veteran students is 36.7 years. Most of the respondents (91%) earned a rank as enlisted member as their highest rank in their active military life. About 20% of the respondents were interviewed in the United States military network. The respondents (12%) were coded for civilian and military network field, respectively.

Common Method Variance and Endogeneity

Measurement: Use of survey and test-retest measures, the study may suffer from common method and endogeneity. First, separate independent and dependent variables temporally by using a short time lag between the measurements to ensure validity. To further improve the data validity, the questionnaire was pretested on a small group of veteran students to ensure the face validity of the questionnaire.

Network breach: Ask respondents to provide a list of their personal network members in order to measure network breach. For example, how many people in their respective networks they personally know that own their own businesses to measure network breach. The online questionnaire EI measured at the first screen, resource acquisition measured at the second screen and networks measured at the third screen of the questionnaire.

Future studies could interview the veteran community to collect more insights and conduct longitudinal studies or employ comparable groups to better deal with reduce the limitations of the small sample size, data reliability is reduced. In addition, since our data were collected from the students who volunteered to participate in the research, self-selection bias and common method variance could also be concerns.

Contribution & Implications

Contribution: This is the first study of its kind to examine whether veterans’ EI is affected by social capital networks. In particular, we contribute to the limited studies on veteran entrepreneurship by offering a new angle of studying how to improve veterans’ EI.

Limitations and Future Research

Limitations

First, due to the small sample size, data reliability is reduced. In addition, since our data were collected from the students who volunteered to participate in the research, self-selection bias and common method variance could also be concerns.

Second, given the research purpose is to study the antecedents to EI, we have NOT examined if EI that have strong EI will succeed even though that wasn’t the focus of the study in the future.

Third, although in this study we offered theoretical premises and preliminary evidence to predict the difficulties in transferring social capital across institutional contexts, we have neither proposed constructs nor collected a large scale of data in exploring any military networks can be limited in supporting EI.

Future Research

Future studies to use longitudinal studies or employ comparable groups to better deal with reduce the limitations of the biases by adopting certain research methods.

Future studies to examine the effects of the military and civilian networks on startup rate.

Future studies could interview the veteran community to collect more insights and conduct qualitative research to study the critical factors.

RESULTS

The perceived likelihood of veterans acquiring resources could be improved by developing a strong and broad network in military life and/or civilian life.

The increased level of perceived resource acquisition through military networks does not necessarily increase veteran’s EI, although perceived resource acquisition through civilian networks may help increasing EI.

Institutional barriers and transitional difficulties may exist when leveraging social capital across institutional environments. One exception is that a larger number of inspirers from military networks helps disclose and assist with resource acquisition for veterans, which directly increase veteran’s EI.

Contributes to the limited studies on veteran entrepreneurship by offering a new angle of studying how to improve veterans’ EI. Given the economics imperative to promote entrepreneurship among veterans, this research is vital in understanding how to best to support, sustain, and grow entrepreneurship within this unique and critical group. Through this research, we can demonstrate the meaningful nature of the bonds created in a military network which can be leveraged to increase EI.

Future studies to compare the effects of the military and civilian networks on startup rate. Future studies could interview the veteran community to collect more insights and conduct quantitative research to study the critical factors.