

A Study on Dimensions Influencing the Students' Entrepreneurial Intention

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Abstract

The results show that the students have agreed with the intentions that they are ready to do anything to be an entrepreneur, their professional goal is to become an entrepreneur, they will make every effort to start and run their own firm, they are determined to establish a firm in the future and they have the firm intention to start a firm someday. The results reveal that there is a significant association between age and entrepreneurial intentions in tune with monthly family income and entrepreneurial intentions of the students. The results show that personal attitude, desirability, feasibility and personal motivation are positively and significantly influencing the entrepreneurial intentions of the students at one per cent level. Of those who have intention to start a business, majority of them take some steps to realize their dream of business ownership. The findings demonstrate the potential value of attitudinal measures for predicting who will want to start a business. The results suggest that further development of this approach may be fruitful for understanding the intentions to become self-employed.

Key Words: Desirability, Entrepreneurial Intention, Feasibility, Personal Attitude, Personal Motivation

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Introduction

During the last decade, there has been growing interest in undertaking and intensifying actions to promote and support the idea of entrepreneurship as an attractive alternative to wage employment among students in India and around the globe. There are several reasons for this tendency. First, well-educated entrepreneurs are expected to create ventures that grow faster than the enterprises of their counterparts. The importance of education for the successful performance of new ventures is well recognized both by management practitioners and researchers. Second, due to the restructuring processes in organizations following intensified competition on the market worldwide, previous advantages connected with wage employment in established, mostly large enterprises such as job security or reward of loyalty currently offer less appeal, thus increasing the desirability of self-employment.

Ideas, trends, and practices spread rapidly in the modern world. Younger generations are exposed to

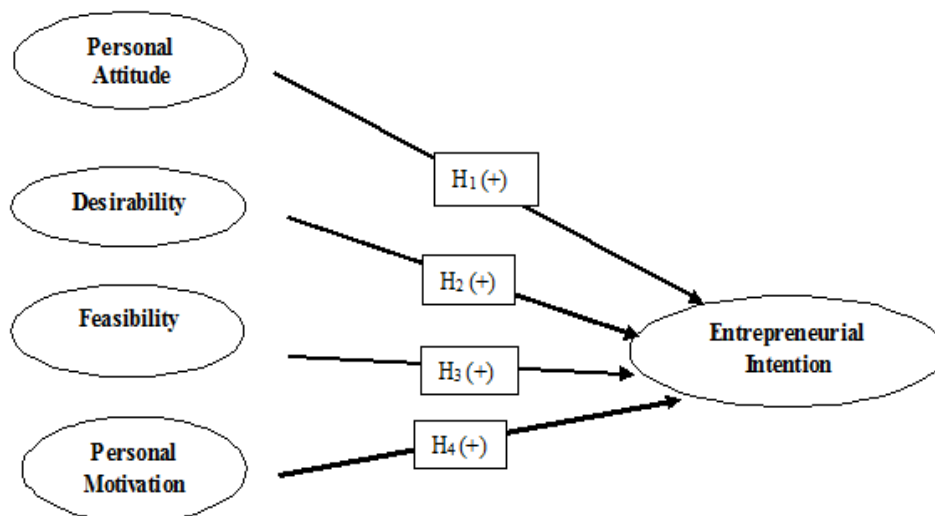
substantial economic and political changes, and influenced by powerful popular cultural trends. As Hofstede suggests, trade, economic development, and technological advances – such as mass-media –

Represent major forces of cultural change. With growth in international travel, cable and satellite television and, especially, the internet, students around the world are better inter connected than were their parents, further exposed to foreign trends and ideas, and further capable to share their ideas.

The impact of entrepreneurship education has been recognized as one of the crucial factors that help youths to understand and foster an entrepreneurial attitude. Due to the influence education could have on the attitudes and aspirations of youth, there is a need to understand how to develop and nurture potential entrepreneurs even while they are still students in school. Their attitude and knowledge of entrepreneurship are likely to shape their inclination to start their own businesses in the future. With this background, the present study is attempted to study dimensions influencing the students' entrepreneurial intention in Tamil Nadu.

Model and Hypothesis

The model and hypothesis for the present study is as follows:



Research Methodology

Among the different states in India, the Tamil Nadu state has been purposively selected for the present study. 300 students of management programme have been selected by adopting random sampling technique and the data and information pertain to the year 2013-2014. In order to understand the socio-economic background of the students, frequency and percentage analysis are carried out. In order to examine the association between socio-economic background of students and entrepreneurial intentions, chi-square test has been applied. In order to examine the influence of entrepreneurship dimensions on entrepreneurial intentions of the students, multiple linear regression has employed.

Results and Discussion

Socio-Economic Background of Students

The socio-economic background of students was analyzed and the results are presented in Table 1.

Table 1: Socio-Economic Background of Students

Personal Profile	Number of Students	Percentage
Gender		
Male	214	71.33
Female	86	28.67
Age Group		
20 - 21 years	16	5.33
22 - 23 years	112	37.33
24 - 25 years	172	57.34
Monthly Family Income		
Rs.10,001 – Rs.25,000	24	8.00
Rs.25,001 – Rs.50,000	120	40.00
Rs.50,001 – Rs.75,000	138	46.00
Rs.75,001 – Rs.1,00,000	18	6.00

Source: Primary Data

The results show that about 71.33 per cent of students are males and the rest of 28.67 per cent of them are females. The results indicate that about 57.34 per cent of students belong to the age group of 24-25 years, 22-23 years (37.33 per cent) and 20-21 years (5.33 per cent). It is clear that about 46.00 per cent of students belong to the monthly family income group of Rs.50,001 – Rs.75,000 followed by Rs.25,001-Rs.50,000 (40.00 per cent), Rs.10,001 – Rs.25,000 (8.00 per cent) and Rs.75,001 – Rs.1,00,000 (6.00 per cent).

Entrepreneurial Intentions

The entrepreneurial intentions of students were analyzed and the results are presented in Table 2.

Table 2: Entrepreneurial Intentions

Entrepreneurial Intentions	Weighted Mean	Status
I am ready to do anything to be an entrepreneur	4.24	Agree
My professional goal is to become an entrepreneur	4.18	Agree
I will make every effort to start and run my own firm	4.12	Agree
I am determined to establish a firm in the future	4.20	Agree
I have the firm intention to start a firm someday	4.34	Agree

Source: Calculated from Primary Data

The results show that the students have agreed with the intentions that they are ready to do anything to be an entrepreneur, their professional goal is to become an entrepreneur, they will make every effort to start and run their own firm, they are determined to establish a firm in the future and they have the firm intention to start a firm someday.

Association between socio-economic background of students and entrepreneurial intentions

The association between socio-economic background of students and entrepreneurial intentions was analyzed by employing Chi-Square test and the results are presented in Table 3.

Table 3: Association between Socio-Economic Backgrounds of Students and Entrepreneurial Intentions

Socio-Economic Background	Chi-square Value
Gender	9.128
Age Group	23.154**
Monthly Family Income	31.592**

Source: Calculated from Primary Data

Note: ** Significance at one per cent level

The results show that the Chi-square value between age and entrepreneurial intentions is 23.154, which is significant at one per cent level and the chi-square value between monthly family income and entrepreneurial intentions is 31.592, which is significant at one per cent level. The results reveal that there is a significant association between age and entrepreneurial intentions and monthly family income and entrepreneurial intentions of the students.

Personal attitudes

The personal attitudes of students were analyzed and the results are presented in Table 4.

Table 4: Personal Attitudes of Students

Personal Attitudes	Weighted Mean	Status
Being an entrepreneur implies more advantages than disadvantages to me	4.68	Strongly Agree
A career as an entrepreneur is attractive to me	3.76	Agree
If I had the opportunity and resources I would like to start one venture	4.62	Strongly Agree
Being an entrepreneur would entail greater satisfaction for me	3.78	Agree
Among various options I would rather be an entrepreneur	3.61	Agree

Source: Calculated from Primary Data

The results indicate that the students have strongly agreed with being an entrepreneur implies more advantages than disadvantages to them and If they had the opportunity and resources they would like to start one venture, while they are agreed with a career as an entrepreneur is attractive to them, being an entrepreneur would entail greater satisfaction for them and among various options they would rather be an entrepreneur.

Desirability Dimensions

The desirability dimensions affecting the entrepreneurial intentions of students were analyzed and the results are presented in Table 5.

Table 5: Desirability Dimensions

Desirability	Weighted Mean	Status
I thought about starting of my own business	3.64	Agree
I am very eager to start my own business	3.88	Agree
I am exciting about my own business	4.12	Agree
I am tensed if I start my own business	3.13	Neutral
I am enthusiastic if I start my own business	4.16	Agree

Source: Calculated from Primary Data

It is observed that the students are agreed with they thought about starting of their own business, they are very eager to start their own business they are exciting about their own business and they are enthusiastic if they start their own business and they are neutral with they are tensed if they start their own business.

Feasibility Dimensions

The feasibility dimensions affecting the entrepreneurial intentions of students were analyzed and the results are presented in Table 6.

Table 6: Feasibility Dimensions

Feasibility	Weighted Mean	Status
I am being practical if I start my own business	3.68	Agree
I feel it is hard to start my own business	3.20	Neutral
I feel the work load is high if I start my own business	3.88	Agree
I am certain about the success of my own business	3.76	Agree
I have enough knowledge about my own business	2.94	Neutral

Source: Calculated from Primary Data

The results indicate that the students have agreed with the intentions that they thought about starting of their own business, they are attractive to start their own business, they are exciting about their own business, they are enthusiastic if they start their own business, they are practical if they start their own business, they feel the work load is high if they start their own business and they are certain about the success of their own business, while they are neutral with they are tensed if they start their own business, they feel it is hard to start their own business and they have enough knowledge about their own business.

Personal Motivation Dimensions

The personal motivation dimensions affecting the entrepreneurial intentions of students were analyzed and the results are presented in Table 7.

Table 7: Personal Motivation Dimensions

Personal Motivation	Weighted Mean	Status
Decisions are solely by myself	3.84	Agree
I can give employments to many	3.66	Agree
I will have greater job satisfaction	3.82	Agree
I will have power and recognition	3.74	Agree
I will have flexibility in work timings	3.72	Agree
I am aware of the opportunities in business	3.60	Agree

Source: Calculated from Primary Data

It is apparent that the students have agreed with the intention that decisions are solely by themselves, they can give employments to many, they will have greater job satisfaction, they will have power and recognition, they will have flexibility in work timings and they are aware of the opportunities in business.

Influence of entrepreneurship dimensions on entrepreneurial intentions

In order to examine the influence of entrepreneurship dimensions on entrepreneurial intentions of the students, multiple linear regression has adopted and the results are presented in Table 8. The results indicate that Adjusted R^2 is 0.62 indicating the regression model is excellent fit and it also indicates about 62.00 per cent of the variation in entrepreneurial intentions is explained by entrepreneurship dimensions variables.

Table 8: Influence of entrepreneurship dimensions on entrepreneurial intentions - multiple regression

Entrepreneurship Dimensions	Regression Co-efficients	t - Value	Sig.
Intercept	1.145*	3.962	.001
Personal Attitude (X ₁)	.580**	5.324	.001
Desirability (X ₂)	.546**	4.850	.001
Feasibility (X ₃)	.494**	5.168	.002
Personal Motivation (X ₄)	.424**	4.576	.003
R ²	0.65		
Adjusted R ²	0.62		
F	7.345		0.00
N	330		

Source: Calculated from Primary Data

Note: ** Significance at one per cent level

The results show that personal attitude, desirability, feasibility and personal motivation are positively and significantly influencing the entrepreneurial intentions of the students at one per cent level.

Conclusion

The foregoing analysis shows that the majority of the students are males and the most of them belong to the age group of 24-25 years. Besides, the majority of the students belong to the monthly family income group of Rs.50,001 – Rs.75,000. The students have agreed with the intentions that they are ready to do anything to be an entrepreneur, their professional goal is to become an entrepreneur, they will make every effort to start and run their own firm, they are determined to create a firm in the future and they have the firm intention to start a firm someday.

The results reveal that there is a significant association between age and entrepreneurial intentions and monthly family income and entrepreneurial intentions of the students. The results show that personal attitude, desirability, feasibility and personal motivation are positively and significantly influencing the entrepreneurial intentions of the students at one per cent level.

Of those who have intention to start a business, majority of them take some steps to realize their dream of business ownership. The findings demonstrate the potential value of attitudinal measures for predicting who will want to start a business. The results suggest that further development of this approach may be fruitful for understanding the intentions to become self-employed.

The main practical implication for entrepreneurship programme developers, is that whereas knowledge and resources could increase the likelihood of success for those who are going to start a new venture, it is the inspiration that raises attitude and intention and increases the chances that students will eventually attempt an entrepreneurial career. This implies that if the target is to increase the number of entrepreneurs from the student population, then the inspirational part of the programme has to be designed purposefully.

Conflicts of Interest: Nil

Source of Support: None

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