

AN EXPLORATORY STUDY ON UNIVERSITY STUDENTS READINESS TOWARDS ENTREPRENEURSHIP

Dr. Darshna Joshi

Department of Commerce & Business Management,
The Maharaja Sayajirao University of Baroda

ABSTRACT:

The research study aims to investigate the university students' readiness to entrepreneurship. The study is done based on Theory of Planned Behaviour Azjen (1991). The theory includes behavioural attitude, perceived behavioural control and social norm that determine their intention. Students of The Maharaja Sayajirao University of Baroda comprised the population of the survey. The data was collected from 221 respondents. The collected data was analyzed using SPSS with chi square test and regression analysis. The study aimed to find the impact of personal attitude towards entrepreneurship, perceived behavioural control and social norm on entrepreneurial intention. It also aimed to study the relationship between demographic factors and various dimensions. The findings of the study revealed aggregate relationship between entrepreneurial intention and personal attitude, social norm and perceived behavioural control.

KEY WORDS: Entrepreneur, Entrepreneurship, Theory of Planned Behaviour

PROLOGUE:

Unemployment is one of the major socio economic problems of many countries including India. Entrepreneurship can be one of the remedy to reduce unemployment problem to the greater extent. Individuals who make their career in entrepreneurship not only achieve financial independence but also contribute to the economy through the way of innovation, job creation and growth & development. The term entrepreneur was coined by an economist Richard Cantillon in 17th century. Entrepreneur is derived from French verb "Entreprendre" which means "to undertake". Different researchers have defined the term entrepreneur in varied ways. The simple

meaning of the term entrepreneurs is “the one, who brings together the various factors of production, starts the business, undertakes the risk and bears the uncertainty.” Entrepreneur is characterized with perseverance & determination, risk bearing, tolerance for ambiguity and failure, takes initiatives and responsibilities, handles stress and extra work load.

University students after completing their education have to either look for employment or they can pursue their career in entrepreneurship. Not all get the job because of the unemployment problem. Therefore they should be motivated for entrepreneurship. The study attempts to examine the university students’ readiness to take entrepreneurship as their career.

AJZEN THEORY OF PLANNED BEHAVIOUR:

The theory puts forward the behavioural attitudes, perceived behavioural control and behavioural social norms that establish specific behaviour intentions.

BEHAVIOURAL ATTITUDE: It is understood as the extent to which an individual has positive or negative behavioural evaluation. It can be generalized that more the positive attitude towards specific behaviour, stronger the person’s intention to execute the behaviour.

PERCEIVED BEHAVIOURAL CONTROL: It refers to the individual perception about the easiness or difficulty in executing the behaviour. The perception may be based on their past experience as well as expected hurdles.

SOCIAL NORM: Social norms are the supposed pressure to execute or not to execute the behaviour.

REVIEW OF LITERATURE:

Salman Zulfiqar et al (2017) aimed to measure youth entrepreneurial readiness in Pakistan. As youngsters has vital role in growth of economy it becomes important area of research to check their readiness to become entrepreneur. Data were collected from 380 respondents and analyzed using SPSS. The findings of the study showed positive impact of social norms, perceived behavioural control and entrepreneurial attitude on entrepreneurial readiness.

Marcin Waldemar Staniewski & Tomasz Szopinski (2015) examined students’ attitudes towards entrepreneurship. It aimed to study the relationships between students’ readiness to become entrepreneurs and their academic majors and academic programme. 458 students attitude towards entrepreneurship was examined. The result of the study revealed that there was no relationship between students’ choice of academic major and their readiness to become

entrepreneurs. The study found significant relationship between students preparedness to become entrepreneurs and academic programme.

Mbassana Elie Marvin, Tchana Pentang (2014) studied students' readiness at ULK towards entrepreneurship. Entrepreneurship result into wealth creation and economic development, hence training in entrepreneurship will influence the students' intentions to become entrepreneur. Data was collected from 367 students and result revealed favourable attitude towards entrepreneurship. The study also revealed that family background and gender had no significant relationship towards entrepreneurial intentions while there was significant and positive relationship between perceived desirability, the social desirability and the propensity to act with entrepreneurial intentions.

Suresh Kumar et al (2013) one of the important way to decrease unemployment is producing more entrepreneurs. The research study aimed to find the non business students willingness to grow into entrepreneurs. Dimensions that influence students' willingness in the study were students' desire, their family background and education. The data was collected from 214 respondents and was analyzed with the help of factor analysis. The findings of the study showed significant relationship between individual education and desire to become entrepreneur.

Adnan Iqbal, Yahya Melhen, Husam Kokash (2012) investigated the university students' perception and intention towards entrepreneurship and their readiness for entrepreneurial activities. Primary data was collected using questionnaire from 292 students of private university in Saudi Arabia. The study resulted into agreeable level of students' entrepreneurial intention. The researcher also suggested developing centre for entrepreneurial competencies.

RESEARCH METHODOLOGY:

The research aimed to study university student's readiness towards entrepreneurship. The empirical study was undertaken based on descriptive research design. Structured non- disguised close ended questionnaire with five point Likert scale was used to collect the primary data from the respondents. Based on Ajzen (1991) model the questionnaire comprised of four dimensions. Personal attitude towards entrepreneurship was assessed with the 6 statements, perceived behavioural control with 5 items, entrepreneurial intentions with 7 statements and social norms with 3 statements.

Primary data were collected from sample of 250 university (The Maharaja Sayajirao University of Baroda) students of different class (years) out of which 221 questionnaires were found to be appropriate for analysis. The data was analysed by Chi square and Regression analysis using SPSS.

Following Hypothesis were framed and tested:

H01: There is no significant association between demographic profile (gender & class) of the respondents and their Personal attitude, Perceived Behavioural control and Entrepreneurial intention.

H02: There is no significant impact of Perceived Behavioural control, Social Norm, Personal Attitude on Entrepreneurial intentions.

RELIABILITY TEST:

Table no. 1: Reliability Statistics

Dimensions	Cronbach's Alpha	No. of Items
Personal Attitude towards Entrepreneurship	.782	6
Perceived Behavioural Control	.705	5
Entrepreneurial Intention	.832	7

Reliability test revealed Cronbach's Alpha value for all three dimensions i.e. personal attitude towards entrepreneurship, perceived behavioural control and entrepreneurial intention as 0.782, 0.705, and 0.832 respectively. Cronbach's Alpha score is considered to be acceptable when it is greater than 0.70 in social science.

DATA ANALYSIS & INTERPRETATION:

Table no. 2: Demographic Profile of Respondents:

Sr. No.	Selected Demographic variables		Number and Percentage of Respondents Total
1	Gender	Males	71(32.1)
		Females	150(67.9)
2	Age	16-18	7(3.2)

		18-20	129(58.4)
		20-22	70(31.7)
		22-24	15(6.8)
3	Year (Class)	FY. B.Com	88(39.8)
		SY. B.Com	72(32.6)
		TY. B.Com	44(19.9)
		M.Com	17(7.7)

Table no.3: DESCRIPTIVE STATISTICS:

STATEMENTS	Mean	Std. Deviation
PERSONAL ATTITUDE TOWARDS ENTREPRENEURSHIP		
Becoming an entrepreneur is more rewarding than drawback for me	4.02	0.860
Entrepreneurship is an attractive career for me	3.99	0.904
I'd like to start a firm, if got the opportunity and resources	4.32	0.909
To be an Entrepreneur is highly satisfactory	3.94	0.872
I would choose to be an entrepreneur among various career alternatives	3.84	1.023
I am a risk taker so I can be an entrepreneur	3.62	1.084
PERCEIVED BEHAVIORAL CONTROL		
It is easy for me to start the firm and keep it functioning	3.38	1.032
Starting a new enterprise would have high possibility of succeeding	3.48	0.970
Practical details to establish the firm is known to me	3.45	1.072
I have ability to build up and select entrepreneurial project	3.50	0.994
I have in born traits to become an entrepreneur	3.31	1.043
ENTREPRENEURIAL INTENTION		
Becoming an entrepreneur is my professional goal	3.67	1.029
Rather than an employee of a company, I choose to be an entrepreneur	3.92	1.074
I am prepared to do anything to be an entrepreneur	3.57	1.168
I am ready to put all efforts to begin and operate my own business.	4.01	1.016
I want to be my own boss.	4.19	1.003
I am ready to face challenges of business.	3.65	1.168

I will start my business in the next 10 years	3.43	1.184
---	------	-------

SOCIAL NORMS:**Table no.4: Source of Influence and Motivation**

SOURCE OF INFLUENCE AND MOTIVATION	Frequency	Percentage
Family	108	48.9
Friends/ Colleagues	69	31.2
Teachers/Educational institutions	44	19.9

From the above table no. 4 it is clear that the foremost source of influence and motivation for the students to become entrepreneurs comes from the family i.e. 48.9% while friends/colleagues is the second source with 31.2% while teachers/educational institutions has 19.9% of influence.

Hypothesis Testing:

H01: There is no significant association of gender and class (year of study) with respondents' Personal attitude towards entrepreneurship.

Table no. 5: Personal Attitude & P value

STATEMENTS RELATING TO PERSONAL ATTITUDE TOWARDS ENTREPRENEURSHIP	GENDER		CLASS (YEAR)	
	χ^2	P VALUE	χ^2	P VALUE
Becoming an entrepreneur is more rewarding than drawback for me	10.56 ^a	.03	8.91a	.71
Entrepreneurship is an attractive career for me	7.34 ^a	.12	13.41a	.34
I'd like to start a firm, if got the opportunity and resources	5.73 ^a	.22	16.72a	.16
To be an Entrepreneur is highly satisfactory	3.83 ^a	.43	12.87a	.38
I would choose to be an entrepreneur among various career alternatives	8.12 ^a	.09	11.24a	.51

I am a risk taker so I can be an entrepreneur	6.77a	.15	8.912a	.71
---	-------	-----	--------	-----

As shown in the above table, the respondents' attitude towards entrepreneurship was found to have no association with the class (year) for all the statements. As the p value is higher than .05 for all the statements, therefore null hypothesis is accepted.

In case of the gender, it was also found to have no association for all the statements except for one statement viz. becoming an entrepreneur is more rewarding than drawback. The p value for the statement "becoming an entrepreneur is more rewarding than drawback" is .03 which is less than .05, therefore the null hypothesis does not hold true for the given statement.

H02: There is no significant association of gender and class (year of study) with respondents' opinion on their perceived behavioural control.

Table no. 6: Perceived behavioural control & P value

STATEMENTS RELATING TO PERCEIVED BEHAVIORAL CONTROL	GENDER		CLASS (YEAR)	
	χ^2	P VALUE	χ^2	P VALUE
It is easy for me to start the firm and keep it functioning	19.84a	.00	18.69a	.10
Starting a new enterprise would have high possibility of succeeding	12.06a	.02	16.02a	.19
Practical details to establish the firm is known to me	11.97a	.02	16.23a	.18
I have ability to build up and select entrepreneurial project	8.59a	.07	39.71a	.00
I have in born traits to become an entrepreneur	14.83a	.01	20.55a	.06

Table no. 5 shows significant association of gender and perceived behavioural control except for one statement i.e. I have ability to build up and select entrepreneurial project. The p value is greater for one statement, therefore the null hypothesis 2 does hold true for this statement.

In the case of class (year of the study), there is no significant association between year and perceived behavioural control except for one statement. The statement “I have ability to build up and select entrepreneurial project” has p value .00 which is smaller than .05, therefore we can conclude that there is significant association of year with this statement of perceived behavioural control.

H03: There is no significant association of gender and class (year of study) with respondents’ entrepreneurial intention.

Table no. 7: Entrepreneurial Intention & P Value

STATEMENTS RELATING TO ENTREPRENEURIAL INTENTION	GENDER		CLASS (YEAR)	
	χ^2	P VALUE	χ^2	P VALUE
Becoming an entrepreneur is my professional goal	10.15 ^a	.04	13.71 ^a	.32
Rather than an employee of a company, I choose to be an entrepreneur	8.02 ^a	.09	11.80 ^a	.46
I am prepared to do anything to be an entrepreneur	9.07 ^a	.06	21.18 ^a	.05
I am ready to put all efforts to begin and operate my own business.	6.96 ^a	.14	16.64 ^a	.16
I want to be my own boss.	9.38 ^a	.05	13.71 ^a	.32
I am ready to face challenges of business.	11.32 ^a	.02	40.85 ^a	.00
I will start my business in the next 10 years	8.19 ^a	.09	25.60 ^a	.01

Table no. 6 reveals that the gender has no association with respondents’ entrepreneurial intention except for two statements. The statements “becoming an entrepreneur is my professional goal” and “ready to face challenges” have p value of .04 and .02 respectively. Therefore the null hypothesis 3 does not hold true for this two statements.

There is no significant relationship between year and entrepreneurial intention except for two items. The statements “ready to face challenges” and “starting the business in 10 years” has p

value of .00 and .01 respectively. So it can be concluded that the null hypothesis 3 does not hold true for this two statements.

H04: There is no significant impact of Perceived Behavioural control, Social Norm, Personal Attitude on Entrepreneurial intentions.

Table no. 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.730 ^a	.533	.526	.5314668
a. Predictors: (Constant), Social Norm, Personal Attitude, Perceived Behavioural Control				

Table no. 9: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	69.824	3	23.275	82.401	.000 ^a
	Residual	61.293	217	.282		
	Total	131.117	220			

a. Predictors: (Constant), Social Norm, Personal Attitude, Perceived Behavioural Control

b. Dependent Variable: Entrepreneurial Intention

Table no.10: Coefficients

Model		Non-standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
		Personal Attitude	.648	.062		
Perceived Behavioural Control	.321	.059	.288	5.425	.000	

Social Norm	.017	.047	.017	.363	.717
a. Dependent Variable: Entrepreneurial Intentions					

- To find the impact of personal attitude, perceived behavioural control and social norms on entrepreneurial intention, regression analysis was carried out.
- ANOVA test exhibits the calculated value 0.000 which is smaller than table value 0.05. Hence it can be said that all the three independent dimensions collectively has impact on dependent variable i.e. entrepreneurial intention.
- Table no. 10 shows that personal attitude and perceived behavioural control has significant relationship/impact on entrepreneurial intentions. The social norm has no significant impact on entrepreneurial intentions as the calculated value is 0.717.
- The adjusted $R^2=.526$ which means that 52.6% the independent variables are responsible for entrepreneurial intentions.

IMPLICATIONS OF THE RESEARCH STUDY:

The research study has practical implications as the students' readiness to entrepreneurship can help in reducing the problem of unemployment to greater extent. As more and more students have entrepreneurial intentions they can contribute to country's economic growth and development with their entrepreneurial activities. A positive mindset towards entrepreneurship can be developed among students through entrepreneurial education, training and programmes thereby favouring new venture generations. For this the university syllabus and curriculum should be revised having entrepreneurship as one of the course to study.

CONCLUDING REMARKS:

The research aimed to examine and analyse the university students readiness towards entrepreneurship based on Theory of Planned behaviour model of Ajzen (1991). The students were influence and motivated by their family first, then by their friends & colleagues and then by teachers/educational institutions. The result of the study revealed there is aggregate relationship between personal attitude, perceived behavioural control and social norms with entrepreneurial intentions. Gender and class (year of study) was significantly associated with some statements

while it was not significantly associated with other statements of Personal attitude, perceived behavioural control and entrepreneurial intention.

REFERENCES:

1. Salman Zulfiqar (2017) Measuring entrepreneurial readiness among youth in Pakistan through Theory of Planned Behaviour Based Approach, Business and Economic Research, Vol. 7, Issue no. 7, pp. 149-167.
2. Marcin Waldemar Staniewski & Tomasz Szopinski (2015) Student readiness to start their own business, Economic Research-Ekonomska Istraživanja, Vol. 28, issue no 1, 608-619
3. Mbassana Elie Marvin, Tchana Pentang (2014) An investigation of students' readiness towards entrepreneurial intentions at Kigali Independent University (ULK), International Journal of Education and Research, Vol. 2, Issue No. 10, pp. 263-276.
4. Suresh Kumar et al (2013) Students' willingness to become Entrepreneurs: A survey of Non business students of President University, IOSR Journal of Business and Management, Vol. 15, Issue 2, pp. 94-102.
5. Adnan Iqbal, Yahya Melhem, Husam Kokash(2012) Readiness Of The University Students Towards Entrepreneurship In Saudi Private University: An Exploratory Study, European Scientific Journal, vol. 8, issue no.15, pp.110-131.
6. Zaidatol Akmaliah Lope Pihie (2009) Entrepreneurship as a Career Choice: An Analysis of Entrepreneurial Self-Efficacy and Intention of University Students European Journal of Social Sciences, Volume 9, No. 2 (2009), pp.338-349
7. LINDA LOW(2005), Entrepreneurship Development in Ireland and Singapore, Journal of the Asia Pacific Economy, (February 2005) Vol. 10, No. 1, 116-138
8. Poh Kam WongYuen Ping HoErkko Autio, Entrepreneurship, Innovation and Economic Growth: Evidence from GEM data, Small Business Economics (2005) 24: 335–350
9. Veciana, Aponte and Urbano (2005) University students' attitudes towards entrepreneurship: a two countries comparison, International entrepreneurship and management journal1,(2005),165–182