

Entrepreneurial Intent in Management Students: A Survey Study in Bangalore (Karnataka)

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Abstract: In India over 60% of youth consider entrepreneurship as a good prospect of earning livelihood. Youth include students and workforce from age of 18 years. Indian government focusing on the youth especially on students, to develop set of entrepreneurial skills with a aim to have more start-ups. Students have various reasons to develop intentions to become entrepreneurs in future. The objective of the study is to identify the reasons of Indian undergraduate students to turn up as entrepreneurs in future. 473 students of business course, various affiliated colleges of Bangalore University provided needed information for the study by filling the questionnaire. The questionnaire contains 28 questions which adopted from previous studies. The items used in the study lessened to six main factors as education, opportunity, career, success, skill and risk. Researcher applied Lisrel model to predict the correlation between the identified factors and entrepreneurial intent. Findings shown, there is a positive impact of identified factor on entrepreneurial intent in students. Entrepreneurial education intent has more positive influence than other identified factors on students to turn up as entrepreneurs.

Keywords: -Indian Management Students, Education Intent, Opportunity Intent, Career Intent, Success Intent, Skill Intent, Risk Intent, Entrepreneurial Intentions.

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I. Introduction

Entrepreneurship is study of how to create and process of starting business. Entrepreneur is a person with an idea to create a product or service and sell to the people. Entrepreneurial intentions or intent defined as a position to own a business or become self employee (IGI Global). Entrepreneurship has recorded more in India from last decade as economic growth of the country depends on entrepreneurs by creating new ideas and making into profitable ventures. In India student entrepreneurship is showing a good sign like more and more youngsters are becoming their own bosses and not working for some one. There is a question in the mind what factors influencing students to develop entrepreneurship intention. From the previous studies, scholars find out various factors like personality, education, risk- ability, need to achievement influence the entrepreneurial intent in students.

II. Theoretical Framework

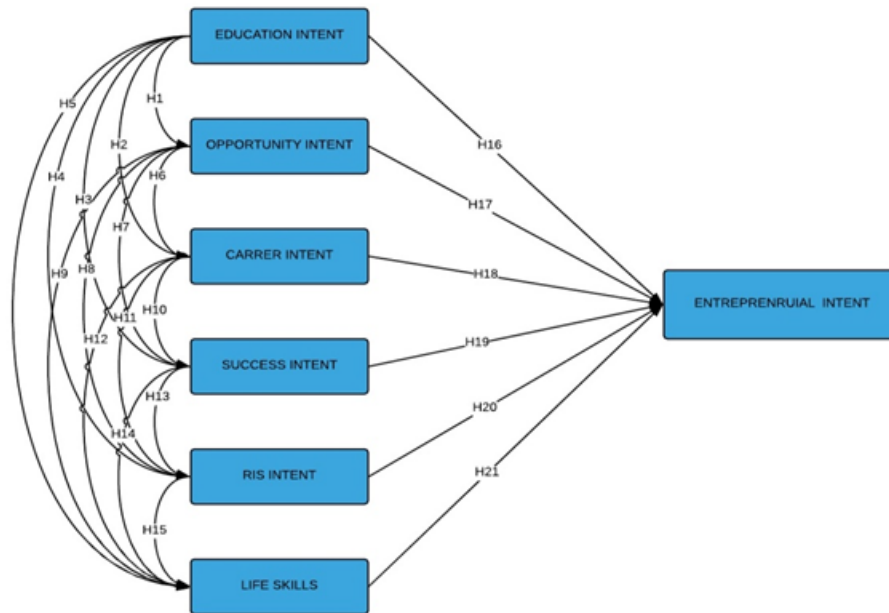
2.1 Factors of entrepreneurial intent

Blick,(2005), defined entrepreneurship education as a pedagogical process involved in the development of behaviour and mindset of students and entrepreneurs. Indian universities and colleges are providing entrepreneurial education through courses along with internship which provides knowledge about business, ventures, and opportunities (vesper, 2004). Entrepreneurial education develops skills to expertise in business to be supported through financial rewards (lee & Peterson 2004). Entrepreneurial intent develops in students by entrepreneurial education intent (rita, 2003). Opportunity intent is one of the factors which creates entrepreneurial intent in students through self efficacy, prior knowledge, social networking and perception about the business opportunities. Intention towards entrepreneurship encourages young people for the development of new business, and recognize the new opportunity(Ooi,2011), and have orientation towards taking risk(Michael,2005). Risk intent is one more factor for creating intent towards entrepreneurship where risk taking is defined as a tendency to take risk when the probability of succeeding is low(Andrea,2014). The individual with high risk intent will have high entrepreneurial intention. Career intent is one of factor which influence entrepreneurial intention, where accountant or teachers later become entrepreneurs (Diane,2016). Entrepreneurship is opted as the career by asking the availability of advancement opportunity within and

between the organization conditions (Sorensen and Sharkey,2014). Intention towards success will motivate people to start successful business. From the study of bandura(1997), Individual with self efficacysuccessfully performing a task and are also more inclined to pursue the same particular task. life skills is one of the factor which influence the entrepreneurial intent. Students performing real life skills which are valuable to the society such as electric wiring, servicing auto rickshaws, doors have an intention to develop as entrepreneurs in future(vidhya,2014).

2.2 Conceptual model

CONCEPTUAL MODEL



III. Research Methodology

3.1 Questionnaire Design

A hypothesis model was proposed for testing the relationship between the factors and entrepreneurial intent in respondent. Questions were framed based in the past literature. The questionnaire is divided into two parts, the first part contain questions about the age, sex, marital status, monthly income and family size of the respondents. The second part contain questions about education intent, opportunity intent, career intent, success intent, skill intent, life skills and entrepreneurial intention.

3.2 Data Collection And Descriptive Statistics

Before giving the questionnaire to the respondents, the respondents were explained about the importance of the entrepreneurship and the reasons for collecting the data. The data was collected from 500 students of five degree colleges in Bangalore where 473 are acceptable questionnaire. Likert scale of measurement is used for questions. The reliability and validly of the questions(items)is measured by using Cronbach’s alpha and composite reliability. Factor analysis is applied to construct the factors. SPSS 15 and Lisrel 9.20 software is used for analyzing the collected data.

IV. Data Analysis

4.1 Demographic Profile of the respondent

The profiles of the respondents are as follows:

- 59.19% were male and 40.80% are female which shows, and
- 60.67% were having age between 18-21,and
- 64.68% were having family size of 4 members, and
- 70.19% were self employed and having monthly income of 26000-50000Rs

Table 4.1: Demographic Profile of The Respondent

FREQUENCY	PERCENTAGE	
GENDER		
Male 280	59.19	
Female 19340.80		
AGE		
18-21	28760.67	
22-26	18639.33	
FAMILY SIZE		
2	5	1.05
3	60	12.68
4	305	64.48
5	80	16.91
More Than 5	15	3.17
PARENTS SELF EMPLOYED		
Yes	33270.19	
No	141	29.87
MONTHLY HOUSEHOLD INCOME (₹)		
0-25,000	103	21.77
26,000-50,000	155	32.76
51,000-1,00,000	60	12.68
More Than 1,00,000	155	32.76

Source- primary data

4.2 Entrepreneurial intention

Table 4.2 intention to start business

Intent to start business	
Definitely would start	272
Probably would start	112
Might start	19
Probably wouldn't start	42
Definitely wouldn't start	28

Out of 473 students 384 students have said they have an intention to start a business after their course.

4.3 Reliability and validity:

To check the reliability and validity of the questions (items) in the questionnaire, composite reliability and Cronbach's alpha was used. The composite reliability and Cronbach's alpha of all the constructors exceed generally the accepted threshold of 0.07(Anderson 1988) suggesting the acceptable reliability.

Table 4.3: Reliability and item loading constructs of the measurement model

Variables	item	Standard loading	Composite reliability	Cronbach alpha	Average variable extracted cause
1. Education intent	EE01	0.777	0.745	0.652	0.456
	EE02	0.827			
	EE03	0.554			
	EE04	0.750			
2. Opportunity intent	OPP01	0.626	0.623	0.789	0.521
	OPP02	0.736			
	OPP03	0.589			
	OPP04	0.571			
	OPP05	0.745			
	OPP06	0.507			
3. Career intent	CO 1	0.862	0.879	0.821	0.441
	CO 2	0.876			
	CO 3	0.811			

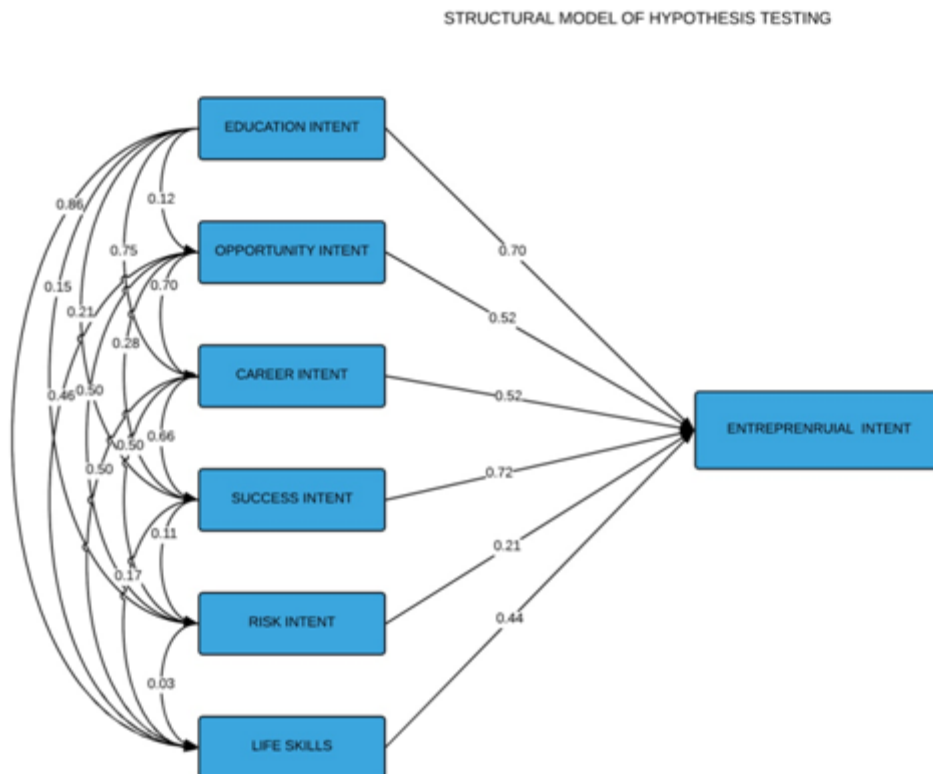
	CO 4	0.786				
4.	Success intent	SUO 1 SUO 2 SUO 3 SUO 4 SUO 5	0.580 0.701 0.535 0.728 0.690	0.653	0.712	0.436
5.	Life Skill	SKO 1 SKO 2 SKO 3 SKO 4 SKO 5	0.535 0.689 0.708 0.875 0.800	0.742	0.658	0.359
6.	Risk intent	RO 1 RO 2 RO 3 RO 4	0.808 0.774 0.724 0.744	0.656	0.752	0.462

4.4 Analysis of measurement model:

The model is measured by structural equation modeling. It is a multivariate statistical analysis technique which is used to analyze structural relationship and examine the validity of the model. According to the goodness of fit, GFI obtained is 0.953 which is close to the recommended value of above 0.90, and the AGF is 0.812 as against the value recommended above 0.80, and the NRI, IFI & CFI are 0.893, 0.952 & 0.918 respectively all the values are higher than the recommended value of 0.90 determines the model is valid.

4.5 Structural model hypothesis testing

Fig 4.5: Structural model hypothesis testing



AGFI=0.812, GFI=0.953, CFI=0.918, RMSEA=0.59, RMR=0.097, IFI=.952, NFI=0.893.

H1: Education intent and opportunity intent.

The education intent and opportunity intent has correlation value of 0.12 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. It is interpreted that one unit increase in education intent would lead to 12% increase in opportunity intent.

H2: Education intent and career intent.

The education intent and career intent has correlation valve of 0.75 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. It is interpreted that one unit increase in education intent would lead to 75% increase in opportunity intent.

H3: Education intent and success intent.

The education intent and success intent has correlation valve of 0.21 and $p < 0.05$ which show that there is a significant relation between the education intent and success intent. It is interpreted that one unit increase in education intent would lead to 21% increase in opportunity intent.

H4: Education intent and risk intent.

The education intent and risk intent has correlation valve of 0.15 and $p < 0.05$ which show that there is a significant relation between the education intent and risk intent. It is interpreted that one unit increase in education intent would lead to 15% increase in opportunity intent.

H5: Education and life skill intent.

The education intent and life skill intent has correlation valve of 0.86 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 86 % increase in opportunity intent.

H6: Opportunity intent and career intent.

The opportunity intent and career intent has correlation valve of 0.75 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 75% increase in opportunity intent.

H7: Opportunity intent and success intent.

The education intent and success intent has correlation valve of 0.50 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 50% increase in opportunity intent.

H8: Opportunity intent and risk intent.

The education intent and opportunity intent has correlation valve of 0.15 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 15% increase in opportunity intent.

H9: Opportunity intent and skill intent.

The education intent and life skill intent has correlation valve of 0.46 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 46% increase in opportunity intent.

H10: Career intent and success intent.

The career intent and success intent has correlation valve of 0.66 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 66% increase in opportunity intent.

H11: Career intent and risk intent.

The career intent and risk intent has correlation valve of 0.50 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 37% increase in opportunity intent.

H12: Career intent and skill intent.

The career intent and skill intent has correlation valve of 0.50 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 15% increase in opportunity intent.

H13: Success intent and risk intent.

The success intent and risk intent has correlation valve of 0.11 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 11% increase in opportunity intent.

H14: Success intent and life skill intent.

The success intent and life skill intent has correlation valve of 0.17 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 17% increase in opportunity intent.

H15: Skill intent and risk intent.

The skill intent and risk intent has correlation valve of 0.03 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 3% increase in opportunity intent.

H16: Education intent and Entrepreneurial Intent.

The Education intent and Entrepreneurship intent has correlation valve of 0.70 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 70% increase in opportunity intent.

H17: Opportunity intent and Entrepreneurial Intent.

The opportunity intent and Entrepreneurial intent has correlation valve of 0.52 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 52% increase in opportunity intent.

H18: Career intent and Entrepreneurial Intent.

The Career intent and entrepreneurial intent has correlation valve of 0.51 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 51% increase in opportunity intent.

H19: Success intent and Entrepreneurial Intent.

The success intent and Entrepreneurial intent has correlation valve of 0.72 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 72% increase in opportunity intent.

H20: Risk intent and Entrepreneurial Intent.

The Risk intent and Entrepreneurial intent has correlation valve of 0.21 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 21% increase in opportunity intent.

H21: Life skill intent and Entrepreneurial Intent.

The Life skill intent and Entrepreneurial intent has correlation valve of 0.44 and $p < 0.05$ which show that there is a significant relation between the education intent and opportunity intent. it is interpreted that one unit increase in education intent would lead to 44% increase in opportunity intent.

V. Conclusion

From the study on entrepreneurship intent in management students in India ,entrepreneurship education and success intent of students will influence the entrepreneurship intention in students.

IMPLICATIONS

This research paper helps academicians and scholars:

- Concentrate on the required skills the students need to be taught and develop curriculum.
- Where and which area they can go for future research.
- Design the training program for the students to motivate them to develop intention towards entrepreneurship

FURTHER STUDY

This research can be extended to another set of students groups like UG and PG courses of various domains and to other states and can study on the impact of student's psychology on entrepreneurship intention.

LIMITATIONS

This research paper has limitations as :

- study confined to bachelor students of business administrations,
- selected only 5 colleges in Bangalore though they are more than 100 colleges,
- time constraint, and
- few colleges were covered under the study.

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