FASCINATION OF ENTREPRENEURSHIP
AMONG GRADUATE STUDENTS OF INDIA
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Introduction
Entrepreneur is a term applied to a person who establishes, owns, manages and assumes full control and risk of a business. According to the noted economist, Joseph A. Schumpeter, entrepreneurship refers to application of creative abilities by individuals wherein the entrepreneur introduces something new into the system. Though initially Entrepreneurship was a part of economics, later it evolved as a separate discipline, due to its growing importance. Entrepreneurship helps in generating more jobs at lesser costs, increases the rate of economic growth and exploits the full potential of the enterprising persons. At the macro level, entrepreneurship is seen as being responsible for job creation, innovation and creation of wealth and at the individual level it leads to the development of enterprising behaviour in individuals. Raichaudhuri (2005). With the growth of the new field of entrepreneurship, Entrepreneurship education too has risen in importance. It has developed as an offshoot of management education in India. Entrepreneurship education is imparted mainly to foster the spirit of entrepreneurship and to develop the essential skills and knowledge required to start an enterprise. Even though entrepreneurship education is included as a part of the MBA curriculum, only very few students actually start their own venture. This is because the motive to start a venture usually depends on the intention of the students (Byabashaija et al., 2010). This paper tries to find out the entrepreneurship intent based on the Theory of Planned behaviour in MBA students, in India.

Education and Entrepreneurship Review of Literature
Entrepreneurship education first emerged in the mid 90's with Harvard University offering entrepreneurship course. After that there has been a steady increase in the number of Business Schools offering entrepreneurship education. This growth is both vertical and horizontal. It is vertical in that entrepreneurship is increasing in presence across business colleges as demonstrated by growth measures like course enrolments, the number of endowed chairs, and terminal degree programs specific to entrepreneurship. Horizontal growth refers to the expansion of entrepreneurship education across the disciplinary landscape of higher education as the topic is explored in many disciplines and degree programs (Wiley Publication). There is also a need to expand the entrepreneurship education beyond business schools to other disciplines as well (Shinnar et al., 2009).

Entrepreneurship education also helps the weaker sections of students, who would otherwise drop out of college and remain poor (Saboe et al., 2002). One method that has been effective with at-risk youth is entrepreneurship education, which links learning to the goal of helping students establish their own businesses and gain financial security.

Though Entrepreneurship education grew rapidly in the West during the last 2 decades, Indian Business Schools (Gabula, 2013) started offering
Entrepreneurship Education only recently. Therefore, while entrepreneurship inclination is strong in India, education support in Entrepreneurship Development is lagging (Raichaudhuri, 2005). Success of education depends to a large extent on the students. So the efficacy of entrepreneur education depends not only on what is taught and how it is taught, but also on who is taught. Getting the right kind of students and providing suitable educational inputs are, therefore, critical factors for success in entrepreneurship education (Raichaudhuri, 2005). So even if we impart entrepreneurship education, it is the student's intent that determines whether he become an entrepreneur.

*Education and Entrepreneur Intent*

Entrepreneur Intention models have helped researchers to predict the behaviour of entrepreneurs. These intention models are based on the Theory of Planned Behaviour. Studies have shown that entrepreneurship education has a positive effect in developing the entrepreneurship intent of students. Turker and Selcuk (2009) studied 300 University students in Turkey and analysed the impact of contextual factors like Education, Relational factors and Structural factors on entrepreneurial intent and found that Education and Structural factors affect the entrepreneurial intent. Entrepreneurship education can affect entrepreneurial intentions through its impact on self-efficacy and attitudes. Based on the Entrepreneurship intent model, Role model and social norms were found to be significantly and positively related to entrepreneurial intention. Izquierdo and Builens (2008).

It is also found that despite having an exposure to entrepreneurship education; many students postpone the starting of a venture to a distant future. The personal characteristics and behaviour of entrepreneurs correlate positively with the intention to start a venture (Venesaaar, 2005). Education and structural support factors affect the entrepreneurial intention of students too (Turker, 2009). A study done in Spain, has found that entrepreneurial intention is statistically related with universities support, showing the improvement of the influence of high education in Spanish entrepreneurship (Coduras, 2008). In a study of the undergraduates in Portugal, Gerry et al. (2008) found that gender, risk, factors related to profession or employment choice and academic training were found to significantly affect students’ interest in and motivation for starting their own business. So it can be concluded that entrepreneurship education together with the behaviour characteristics plays an important role in creating the entrepreneurship intent among students. Further study suggests that to improve university students’ entrepreneurial intention and self-efficacy, certain teaching strategies needed to be used and university policy makers should add more value to their graduates by incorporating the elements that enhance the development of entrepreneurial intention and self-efficacy (Pihie and Akmaliah, 2009).

*Theory of Planned Behaviour and Entrepreneurship Intent Model*

Entrepreneurship intent has been studied using the theory by Ajzen (2005). It predicts that behaviour can be deliberative or planned. Fayolle et al. (2006) tried to find out the link between Theory of Planned Behaviour and the Entrepreneur Education Program. The Entrepreneur Education Program had a strong measurable impact on the entrepreneurial intention of the students, but not very significant
impacted their perceived behavioural control. The adequacy of the Entrepreneurial Intention model was tested in a two-country sample, one of them European (Spain) and the other South Asian (Taiwan). The Entrepreneur Intention Model claims that individuals make their decision based on three elements: his personal preference or attraction towards entrepreneurship; the perceived social norms regarding that career option; and, thirdly, his perceived entrepreneurial self-efficacy Linan and Chen (2006). Studies conducted in Malaysia indicate that role model and social norm were positively and significantly related to entrepreneurial intentions whereas the direct effect of social identification on entrepreneurial was not significant Nasurdin et al. (2009).

**Theory of Planned Behaviour**

The theory by Ajzen (2005) helps to understand how we can change the behaviour of people. The TPB is a theory which predicts deliberate behaviour, because behaviour can be deliberative and planned. According to TPB, individual behaviour is driven by behavioural intentions where behavioural intentions are a function of an individual's attitude toward the behaviour, the subjective norms surrounding the performance of the behaviour, and the individual's perception of the ease with which the behaviour can be performed (behavioural control).

**Diagrammatic Representation of the Model**

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Attitude towards Entrepreneurship

Subjective Norms

Perceived Behaviour Control

Entrepreneurship Intent
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**Figure 1. Perceived Behaviour Model Based on Theory of Planned Behaviour**

**Attitude toward the Behaviour** is defined as the individual's positive or negative feelings about performing behaviour. It is determined through an assessment of one's beliefs regarding the consequences arising from behaviour and an evaluation of the desirability of these consequences (Ajzen 2005).

**Subjective Norm** is defined as an individual's perception of whether people important to the individual think the behaviour should be performed. The contribution of the opinion of any given referent is weighted by the motivation that an individual has to comply with the wishes of that referent (Ajzen, 2005).

**Behavioural Control** is defined as one's perception of the difficulty of performing behaviour. TPB views the control that people have over their behaviour as lying on a continuum from behaviours that are easily performed to those requiring considerable effort, resources, etc. (Ajzen, 2005)

**Intention** is an indication of a person's readiness to perform a given behaviour, and it is considered to be the immediate antecedent of behaviour. The intention is
based on attitude towards behaviour, subjective norm and perceived behaviour control (Ajzen, 2005).

**Entrepreneurship Intent in University Students**

The robustness of the Theory of Planned Behaviour in studying Entrepreneurship intent is tested by Autio et al. (2001). They used international comparisons from Finland, Sweden, USA, Colorado and the UK. They indicated a good robustness and Perceived Behaviour Control emerged as the most important determinant of entrepreneurial intent. The adequacy of the Entrepreneurial Intention model was tested in a two-country sample, European (Spain) and the other South Asian (Taiwan). The study claimed that individuals make their decision based on three elements: their personal preference or attraction towards entrepreneurship; the perceived social norms regarding that career option; and, thirdly, their perceived entrepreneurial self-efficacy.

Schwarz et al. (2008) examined the factors influencing student's intent to create a new venture. He developed a model that incorporated both human and environment factors. It focused on three constructs to predict the entrepreneurial intent – general attitude, attitude towards entrepreneur and the perception of the University environment start up infrastructure. Gerry et al. (2008) found that gender, risk factors related to professional employment choice and academic training were found to be significantly different from student's interest in and motivation for starting their own business. A causal model of affective factors (role model, social identification, and social norm), perceived desirability, and entrepreneurial intention in the context of Malaysia was tested by Nasurudin et al. (2009). The results indicated that role model and social norms were positively and significantly related to entrepreneurial intentions, but the direct effect of social identification on entrepreneurial was not significant. Entrepreneurship behaviours are planned. They reflect a process in which beliefs, attitudes, and intentions evolve as we cognitively process our knowledge beliefs, and experiences.

**Research Gap and Objectives**

The present study builds on previous intent studies, and tries to find out the entrepreneurial intent of management students in India. Entrepreneur education is offered with management education by Business Schools in a large scale these days (Goncharuk, 2015). But the numbers of management students, who take up entrepreneurship, are few. Moreover no study has been conducted in the Indian MBA students to find out their intention towards entrepreneurship. The paper aims to test a model that incorporates Perceived behaviour control, Subjective norms depending on social norms, and attitude towards entrepreneurial intent. It was also attempted to understand gender differences in entrepreneurship intent and the impact of educational qualification prior to MBA on entrepreneurship intent.

**Hypotheses**

The career choices of MBA students are planned and predictive. The decision to start an enterprise rather than go for a corporate career has severe consequences. The Theory of Planned behaviour helps in finding out whether the intention to start entrepreneurship is in place. The Hypotheses tested in this study are represented in Figure 2.
Research Methodology

In this study we applied a cross-sectional survey design using questionnaires. The unit of analysis for this study were MBA students from India. Structured questionnaires were used to collect data for this study. The variables under each factor were adapted from Azjen’s TPB Model (1988), and the questionnaire was developed based on Ariff (2010) and Pihie and Akmaliah (2009). The questionnaire was divided into two sections. The first section of the questionnaire measured entrepreneurial intention among students and its determinants. A Likert scale was used to measure attitude towards entrepreneurship, subjective norm, perceived behavioural control and entrepreneurial intention, while demographic information, which was in the second section of the questionnaire, was gathered using an ordinal scale. There were 15 items measuring attitude, subjective norm and perceived behavioural control. All three constructs were evaluated on a five point scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The entrepreneurial intention construct was measured using three items, which were adapted from Ariff (2010). The construct assessed the perceived likelihood of MBA students in India starting a new firm, whether immediately after graduation or within three years to five years after graduation. The values measuring this construct ranged from 1 (not likely) to 5 (very likely).

Descriptive analysis, Bivariate Analysis and multiple regression analysis were performed to analyse the data. A reliability test was also conducted to ensure the consistency and reliability of the constructs used in measuring the identified variables.

Analysis and Findings

Antecedents to Entrepreneurship Intent

In order to test the hypotheses on the relationship between Student attitude, Subjective Norms and Perceived Behavioural Control on Entrepreneur intent, correlation test was applied with the help of SPSS 16. The results of this are presented in Table 1.

H1 – There is a positive relationship between Attitude and Entrepreneurship intent in MBA students in India.

H2 – There is a positive relationship between Subjective norms and Entrepreneur intent in MBA students in India.

H3 - There is a positive relationship between Perceived behaviour control and entrepreneurship intent in MBA students in India.
**Table 1. Correlations**

<table>
<thead>
<tr>
<th>Intend</th>
<th>Pearson Correlation</th>
<th>subject</th>
<th>behavioural</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.558**</td>
<td>0.546**</td>
<td>0.417**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>162</td>
<td>159</td>
<td>165</td>
</tr>
</tbody>
</table>

*Note: **. Correlation is significant at the 0.01 level (2-tailed)*

It is found that all the factors attitude, Subjective norms and perceived behaviour control are highly correlated (Pearson Correlation ranging from 0.417 to 0.612) with the entrepreneurship intend. This means that with increase student’s attitude, subjective norms and behaviour control their intent to start a business will be higher. In order to identify the predictors of Entrepreneurship Intent, stepwise multiple regression analysis was undertaken. The students attitude and subjective norms were identifies as the major predictors of entrepreneurship intent (Table 3). The model summery has also indicated that these variables are able to explain up to 39.8% of the dependent variable emphasizing the importance of these variables on Entrepreneurship intent (Table 2). Surprisingly unlike previous research Perceived Behaviour control was not found to explain Entrepreneurship intent.

**Table 2. Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td>1</td>
<td>0.610^a</td>
<td>0.372</td>
<td>0.368</td>
<td>0.51430</td>
</tr>
<tr>
<td>2</td>
<td>0.637^b</td>
<td>0.406</td>
<td>0.398</td>
<td>0.50195</td>
</tr>
</tbody>
</table>

*Note: a. Predictors: (Constant), attitude; b. Predictors: (Constant), attitude, subjective

**Table 3. Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>(Constant)</td>
<td>0.389</td>
<td>0.211</td>
<td>1.842</td>
</tr>
<tr>
<td></td>
<td>attitude</td>
<td>0.317</td>
<td>0.091</td>
<td>0.367</td>
</tr>
<tr>
<td></td>
<td>subjective</td>
<td>0.283</td>
<td>0.098</td>
<td>0.305</td>
</tr>
</tbody>
</table>

*Note:a. Dependent Variable: intend

*Gendered Differences in Entrepreneurship Intent*

In order to identify the gendered differences in Entrepreneurship Intent, the following hypotheses were tested.

H4 - There is a significant difference between the entrepreneurship intent of male students and female students.

H5 - There is a significant difference between the attitude of male students and female students towards entrepreneurship intent.

H6 - There is a significant difference between the subjective norm of male
students and female students towards entrepreneurship intent.

H7 - There is a significant difference between the perceived behaviour control of male students and female students towards entrepreneurship intent.

The results of the independent sample t-test are presented in the table below (Table 4).

<table>
<thead>
<tr>
<th>Table 4. Independent Sample T-Test for Gendered Differences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>Attitude</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Subjective</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Behavioural</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Intend</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
</tbody>
</table>

When we compare male and female students, we find that the level of significance for the variables attitude and subjective norm is less than 0.05. Therefore we reject the null hypothesis. So we conclude that there is a significant difference in the attitude and subjective norms of male and female students regarding entrepreneurship intend.

But we also find that when we compare the male and female students regarding their behavioural norms and intent to start a business, we find that the sig. value is above 0.05. So we accept the null hypothesis. So we conclude that there is no significant difference between the male and female students with regard to their behavioural norms and their intent to start business. It shows that both male and female students have almost similar intention to start a business.

Education and Entrepreneurship Intent

In order to understand the effect of a student’s highest qualification (before enrolling for management) on his/her entrepreneurship intent, Analysis of variance (ANOVA) was done. The results of this analysis are presented in table 3.

H8 - The education qualification of the student affects his attitude to start a business.

H9 - The education qualification of the student affects his subjective norms.

H10 - The education qualification of the student affects his perceived behaviour control.

H11 - The education qualification of the student has no effect on his entrepreneurship intent.

We find that only in the variable “Behaviour control” the significance of F is less than 0.05 Thus, we reject the null hypothesis. Therefore, we conclude that education qualification has an effect on the perceived behaviour control of the students. In all the other variables we accept the null hypothesis, which proves that in attitude,
subjective norms and entrepreneurship intent, education qualification does not play a major role.

Table 5. Education and Entrepreneurship Intent (ANOVA)

<table>
<thead>
<tr>
<th>Qualifications</th>
<th>Attitude</th>
<th>Subjective Norms</th>
<th>Behavioural Control</th>
<th>Entrepreneur Intent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Btech/BE</td>
<td>3.2762</td>
<td>3.5204</td>
<td>3.4250</td>
<td>2.3869</td>
</tr>
<tr>
<td>BCom/MCom</td>
<td>3.3816</td>
<td>3.5875</td>
<td>3.4408</td>
<td>2.5125</td>
</tr>
<tr>
<td>Bsc/Msc</td>
<td>3.0000</td>
<td>3.2500</td>
<td>2.9844</td>
<td>2.3984</td>
</tr>
<tr>
<td>BBA/MBA</td>
<td>3.2440</td>
<td>3.6333</td>
<td>3.0030</td>
<td>2.4358</td>
</tr>
<tr>
<td>BA/MA</td>
<td>2.9375</td>
<td>3.3056</td>
<td>3.4750</td>
<td>2.0500</td>
</tr>
<tr>
<td>Others</td>
<td>3.5667</td>
<td>3.8391</td>
<td>3.4292</td>
<td>2.5625</td>
</tr>
<tr>
<td>F</td>
<td>1.779</td>
<td>2.189</td>
<td>3.012</td>
<td>0.755</td>
</tr>
<tr>
<td>df</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Sig</td>
<td>0.121</td>
<td>0.058</td>
<td>0.013</td>
<td>0.584</td>
</tr>
<tr>
<td>Null Hypothesis</td>
<td>Accepted</td>
<td>Accepted</td>
<td>Not Accepted</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Discussion and Implication

One of the key objectives of the research was to find out whether entrepreneurship education will increase the intention of the students to become the entrepreneurs. It tries to find out their perception regarding choosing entrepreneurship as a career. Students’ attitude towards entrepreneurship career, perceived behavioural control as well as their subjective norm seems to be the best predictors of the students’ entrepreneurial intentions. Since entrepreneurship education involves developing their skills, knowledge and attitude, it can be concluded that entrepreneurship education actually has a positive correlation to the intention of the students to pursue entrepreneurship.

Gender does not play a great role in the intent to become an entrepreneur. Both male and female MBA students have a similar intention to start business. And qualification only seems to have a significant influence on the perceived behaviour control.

Since the study was done on MBA students who are keen to enter the corporate world immediately after graduation, their intention to start a business is weak. But it is found that attitude, perceived behaviour control and subjective norms do have a significant influence on their intention to start a business.

Conclusion

This paper tries to understand what drives the intention of university students to become an entrepreneur. The study also focuses on the “why” of entrepreneurship rather than the “when” because the focus is on the internal motivations of individuals, rather than external environment. The MBA Students participated have moderate entrepreneurial intention. Since, the intention to start one’s own business appears to be driven by “more entrepreneurial” attitudes and subjective norms, management institutes must encourage self-employment by facilitating the development of more entrepreneurial intention, attitudes and entrepreneurial subjective norm in the aspects
of management, financial and marketing. Management Institutes should add more value to their graduates if they incorporate into their curriculum elements that enhance the development of entrepreneurial attitudes, perceived behaviour control and subjective, since these are beneficial to both a self-employment and employment career path.

References


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Keywords: entrepreneurship, education, MBA, behaviour, intent