



THE ENTREPRENEURSHIP INTENTION AMONG STUDENTS IN COIMBATORE DISTRICT

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Abstract

A study was conducted to determine the students perceptions on entrepreneurial intention. Using a questionnaire survey on MBA, MCA, and BE students from the engineering colleges in Coimbatore, this study examines whether the students have an entrepreneurship intention. It also examines whether personality traits, Push and Pull factors, College environmental factors, other factors, and demographical characteristics influence the students to become entrepreneurs. The research results showed that despite a sizeable share of respondents thinking about entrepreneurship, most of them do not want to start business after graduation, but defer this to a more distant future. The findings also indicate that all the factors influence the intention of students in that college environment has more influence on entrepreneurship intention compare to other factors. The study implies that customized approaches to college environment help to increase the effective entrepreneurship intention.

1. Introduction:

Entrepreneurship has been considered a way to increase economic welfare and create employment.^[1] Nurturing entrepreneurship among students has become an important topic in universities and governments' as well as in research^[5]. Today's students are tomorrow's potential entrepreneurs. This research explores the entrepreneurial intention of students of professional courses (BE, MBA, and MCA). This paper reports on a study that was carried to find out the Intention of students towards starting their own businesses and it examines the determining factors such as Personal profile, College environment, Personality traits, Pull and Push Factors, and Other factors

2. Literature review:

Several conceptual models of entrepreneurial intentions^[3] have been developed to assist our understanding of the factors and its influences that shape individuals' intentions of starting a business.

Many previous studies have suggested the positive role of college in developing entrepreneurial intention. The factors influencing entrepreneurial behavior of students are confirmed by a number of studies^{[4] [7] [11] [14]} (Gibb 1994, Hannan et al. 2004, Hannon 2005, Lüthje & Franke 2003, Reitan 1997) that help to explain the coming out of entrepreneurial

intention among target groups as well as suggest the stimulation of entrepreneurship through the institution entrepreneurial environment that can influence the students' attitudes and intentions towards entrepreneurship. Certain personality traits are vital prerequisites for preliminary in entrepreneurship^{[12][8]} (e.g. McClland 1961,Hisrich and Peters 1989),

The different demographic characteristics (age, gender, origin, religion etc.)^{[13][10][15]} (Reinolds et al. 1994, Storey 1994) also affect the entrepreneurship intention. Entrepreneurship and profiles background on business and non-business students' attitudes individuals' prior exposure to entrepreneurship in put into practice, both direct and indirect through their family background in business, is significantly linked to their attitudes, norms, and perceived behavioral control regarding More specifically, having a self-employed father is significantly related to the student's positive attitudes, with respect to entrepreneurship^[11]. This supports the findings of Krueger (1993)^[9] and suggests that students with self-employed fathers gain exposure to and tacit knowledge of entrepreneurship from an early age, which in turn affects their attitudes and perceptions of self-efficacy toward entrepreneurship.

Based on the above literature review, a model has been developed to describe the entrepreneurial intention development process among professional college students.

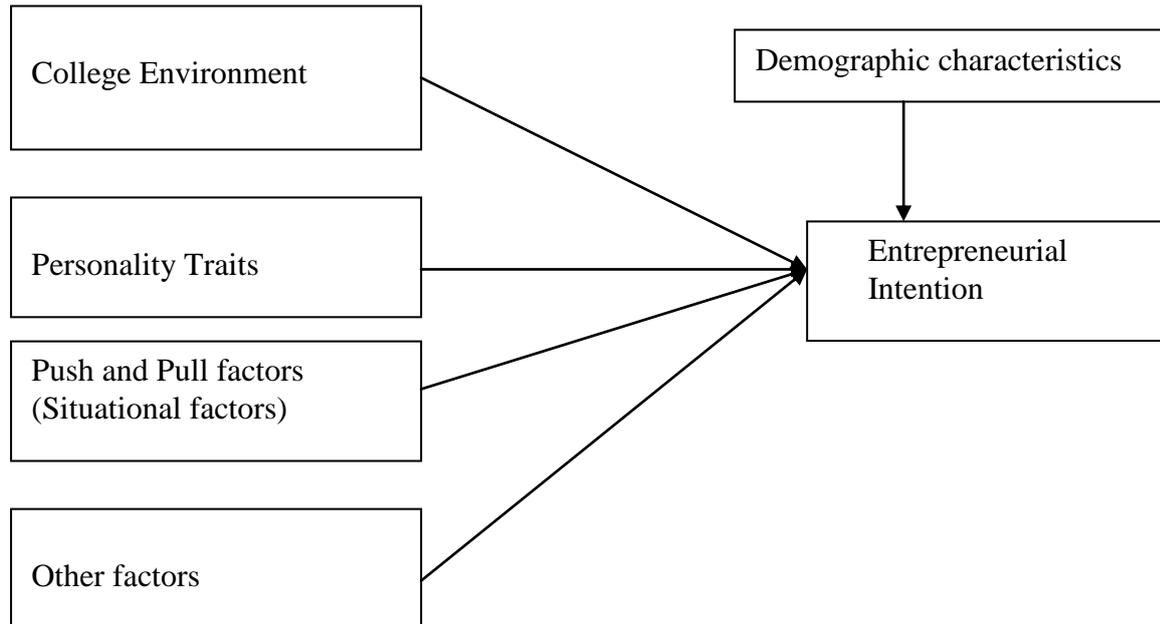


Figure: 1 Conceptual Model

3. Hypothesis:

To validate this conceptual model the following hypotheses are formulated.

H1: College Environment may influence the students Entrepreneurship Intention

H2: Personality Traits may influence the students Entrepreneurship Intention

H3: Pull & Push (Situational Factors) may influence the students Entrepreneurship Intention

H4: Other factors may influence the students Entrepreneurship Intention

H5: College Environment, Personality Traits, Pull & Push, and Other factors all are together influence the Entrepreneurship intention of students

H6: Gender differences influence entrepreneurial career preferences

H7: Educational background may influence the Intention of students towards entrepreneurship

H8: Family business may influence entrepreneurial intentions

4. Research Methodology:

MBA, MCA, and BE programme of a particular engineering colleges are consider for this study. The study utilized a descriptive research design. The sample comprised of 237 respondents from the colleges in Coimbatore .We used the structured questionnaire for collecting data. This questionnaire includes 41 variables, related to entrepreneurial intention, perception of the college environment, personality traits, pull and push factors, other factors and Personal details namely Class of study, Work Experience, Gender, Family Size, and Fathers Occupation, etc. The measurement of items in the survey questionnaire is based on 3 point scales with 1 indicating “strongly disagree” to 3 indicating “strongly agree”. Data are analyzed using Correlation coefficient, and regression analysis^[6].

5. Results (unbiased):

5.1 Profile of the Respondent:

The sample of this student community has the following characteristics: The students are from MBA program (41%), MCA program (40%), and BE program (19%). While (87%) of respondents indicated to have no work experience, (10%) worked one year ,and (4%) more than two year, Of the respondents, (56%) are females and (44%) males. Family size of the student’s are (54%) they have 4 members in the family, (28%) of students family size is more than 4 members, (17%) of family size is 3 members, (2%) of family have only 2 members. Father’s occupations of the students are Employee (71 %), Employer (27%), and Others (3%).

5.2 Reliability Analysis

The study deals with five construct namely Entrepreneurship intention of Students, College Environment, Personality Traits, Pull & Push Factors, and Other Factors. The value of Cronbach’s Alpha is shown in the table 1.

Table 1. Reliability Analysis

Construct	Number of Items	Cronbach's Alpha
Entrepreneurship intention of Students	7	0.8
College Environment	8	0.8
Personality Traits	8	0.9
Pull & Push Factors	5	0.7
Other Factors	5	0.7

As the results for all these constructs are greater the 0.7, we conclude the all these indicators of these constructs are reliable.

5.3 Description of their Intention and Influencing Factor:

We further investigated the level of their intention and influencing factors for different categories based on their personal details.

Table 2. Entrepreneurial intention of students based on Class of study

Class	Parameter	Intention	College Environment	Personality Traits	Pull and Push (Situational factors)	Other Factors
BE	N	45	45	45	45	45
	Mean	1.8603	2.125	1.6194	1.52	1.9644
MBA	N	98	98	98	98	98
	Mean	1.9519	1.912	1.9452	1.9224	1.9041
MCA	N	94	94	94	94	94
	Mean	2.5	2.2726	1.4548	1.5426	2.0957
Total	N	237	237	237	237	237
	Mean	2.1519	2.0955	1.6888	1.6954	1.9916

The MCA students have high intention to become an entrepreneur when compared to MBA and BE students. The college environment and other factors are high for the MCA students but Personality factors and pull and push factors (Situational factors) are high for the MBA students. The intention, college environment, Personality Traits, Pull, and Push factors (Situational factors) are significant where the other factors are not significant

Test Statistics (a)

Table 3.Variable: Class -- MBA Vs MCA

	Intention	College Environment	Personality Traits	Pull & Push	Other factor
Mann-Whitney U	1677.50	2569.000	2851.000	2996.000	3840.500
Wilcoxon W	6528.50	7420.000	7316.000	7461.000	8691.500
Z	-7.644	-5.309	-4.588	-4.225	-2.006
Asymp. Sig. (2-tailed)	.000	.000	.000	.000	.045

Table 4.Entrepreneurial intention of students based on Gender

Gender	Parameter	Intention	College Environment	Personality Traits	Pull and Push Factors	Other Factors
Male	N	105	105	105	105	105
	Mean	2.1782	2.0179	1.7429	1.7505	1.9562
Female	N	132	132	132	132	132
	Mean	2.1310	2.1572	1.6458	1.6515	2.0197
Total	N	237	237	237	237	237
	Mean	2.1519	2.0955	1.6888	1.6954	1.9916

The male have stronger intention compared to Female students, the personality Traits and Pull and Push Factors (Situational Factors) are high for the male student, the College environment and other factors are high for the Female students. There is no significant difference for all factors and the only College environment only has significance.

Test Statistics(a)

Table 5 Variable: Gender – Male Vs Female

	Intention	College Environment	Personality Traits	Pull & Push	Other factor
Mann-Whitney U	6473.500	5849.000	6617.500	6143.000	6439.000
Wilcoxon W	15251.500	11414.000	15395.500	14921.000	12004.000
Z	-.874	-2.068	-.600	-1.517	-.943
Asymp. Sig. (2-tailed)	.382	.039	.549	.129	.345

Table 6. Entrepreneurial intention of students based on Father’s occupation

Father's occupation	Parameter	Intention	College Environment	Personality Traits	Pull and Push Factors	Other Factors
Employee	N	168	168	168	168	168
	Mean	2.2483	2.1674	1.7121	1.7250	2.0476
Employer	N	63	63	63	63	63
	Mean	1.9206	1.9226	1.6329	1.6063	1.8159
Others	N	6	6	6	6	6
	Mean	1.8810	1.8958	1.6250	1.8000	2.2667
Total	N	237	237	237	237	237
	Mean	2.1519	2.0955	1.6888	1.6954	1.9916

The students where fathers are employees have high intention compared to the students whose fathers are employer. The college environment and personality Traits are high for the students where fathers are employees.

The intentions, college environment, pull and push factors, and other factors are highly significant the personality Traits is not significant

Test Statistics (a)

Table 7.Variable: Fathers Occupation—Employee Vs Employer

	Intention	College Environment	Personality Traits	Pull & Push	Other factor
Mann-Whitney U	3405.000	3717.500	4617.500	4191.000	3919.500
Wilcoxon W	5421.000	5733.500	6633.500	6207.000	5935.500
Z	-4.187	-3.491	-1.501	-2.461	-3.057
Asymp. Sig. (2-tailed)	.000	.000	.133	.014	.002

5.4 Correlation Analysis:

The results of the correlation analysis for the determining factors against their Entrepreneurial intention are shown in the tables from 8 to table 11.

Table 8.Correlation- College Environment and Entrepreneurship intention

	Overall	Male	Female	MBA	MCA	Employee	Employer
r	0.327	0.402	0.293	0.228	0.091	0.250	0.320
Sig	0.000	0.000	0.001	0.024	0.035	0.001	0.011
N	237	105	132	98	94	138	63

The relationship between College Environment and Entrepreneurship intention is weak for Overall, Female, MBA, MCA, Employee, and Employer but Moderate for the Male students. All are significant.

Table 9. Correlation- Personality Traits and Entrepreneurship intention

	Overall	Male	Female	MBA	MCA	Employee	Employer
r	0.073	0.103	0.039	0.434	0.031	-0.066	0.338
Sig	0.264	0.298	0.659	0.000	0.768	0.397	0.007
N	237	105	132	98	94	168	63

The relationship between Personality Traits and Entrepreneurship intention is weak for Overall, Male, Female, MCA, Employee, and Employer but Moderate for the MBA students. MBA and Employer have Significant and others are not significance.

Table 10 .Correlation- Pull & Push (Situational Factors) and Entrepreneurship intention

	Overall	Male	Female	MBA	MCA	Employee	Employer
r	0.151	0.166	0.132	0.595	-0.294	-0.037	0.449
Sig	0.020	0.091	0.131	0.000	0.004	0.636	0.000
N	237	105	132	98	94	168	63

The relationship between Pull & Push (Situational Factors) and Entrepreneurship intention is weak for Overall, Male, Female, MCA, and Employee. The MBA and Employer have Moderate relationship.

Overall, MBA, MCA, and Employer are significant the Male, Female, and Employee are not significant.

Table 11. Correlation- Other factors and Entrepreneurship intention

	Overall	Male	Female	MBA	MCA	Employee	Employer
r	0.305	0.181	0.398	0.287	0.114	0.253	0.301
Sig	0.000	0.065	0.000	0.004	0.274	0.001	0.017
N	237	105	132	98	94	168	63

The relationship between other factors and Entrepreneurship intention is weak for Male, MBA, MCA, and Employee. The Overall, Female, and Employer are having Moderate relationship. The Overall, Female, MBA, Employee, and Employer are significant .Male and MCA are not significant.

5.5 Regression Analysis:

We further investigated how the factors namely College environment, Personality Traits, Pull and Push factors, and other factors are influencing their intention to become entrepreneur. For this purpose we conducted a regression analysis using their intention as dependent variable and College environment, Personality Traits, Pull and Push factors, and other factors as Independent variables.

Table 12.Regression analysis

		Overall	Male	Femal	MBA	MC	Employe	Employe	
		I		e		A	e	r	
R		0.414	0.445	0.436	0.626	0.349	0.317	.593	
R Square		0.171	0.198	0.19	0.391	0.122	0.101	.351	
ANOVA F		11.99	6.159	7.466	14.947	3.091	4.562	7.853	
Significance		.000	.000	.000	.000	0.002	0.002	.000	
Independent Variables	College Environment	Beta	0.284	.432	.174	.081	.047	0.215	.296
		T	4.143	4.198	1.85	.806	.617	2.487	2.589
		Significance	.000	.000	.067	.422	.539	.014	.012
	Personality Traits	Beta	-0.065	-.093	-.029	-.0172	.108	-.060	-.026
		T	-0.725	-.0714	-0.232	-.1401	.908	-.576	-.163
		Significance	.469	.477	.817	.164	.366	.565	.871
	Pull & Push	Beta	.198	.228	.145	.599	-.0362	.012	.439
		T	2.098	1.583	1.159	4.478	3.247	.107	2.828
		Significance	.037	.117	.249	.000	0.002	.915	.006
	Other factor	Beta	.198	.088	.305	.109	.086	.183	.178
		T	3.058	.903	3.471	1.338	1.322	2.383	1.524
		Significance	.002	.369	.001	0.184	.190	.018	.133
	Intention	Dependent Variable	2.1519	2.1782	2.1310	1.9519	2.500	2.2483	1.9206

The determining factors (Independent Variables) jointly explain the variation in their entrepreneurial intention to the extent of 17% and the model is found significant.

College Environment, Personality Traits, Pull & Push (Situational Factors), and Other factor are significantly influencing their entrepreneurial intention.

In the case of Male and Female the entrepreneurial intention is same extent of 19% and the model found significant. College Environment is significantly influencing the Male

student's entrepreneurial intention. Other factor is significantly influencing the Female students.

For MBA and MCA the entrepreneurial intention is 39% and 12% respectively, in the both the case Pull & Push (Situational Factors) are significantly influencing the entrepreneurship intention.

For the students with entrepreneur parents have to the greater extent 35% and the model is found significant

5.6 Discussion:

The out come of the above hypothesis testing are presented in the table 13 and 14.

Table 13 : Analysis of Hypothesis 1, 2, 3 & 4

Hypothesis	overall	Male	Female	MBA	MCA	Employee	Employer
H1	Significant	Significant	Significant	Significant	Not Significant	Significant	Significant
H2	Not Significant	Not Significant	Not Significant	Significant	Not Significant	Not Significant	Significant
H3	Significant	Not Significant	Not Significant	Significant	Significant	Not Significant	Significant
H4	Significant	Not Significant	Significant	Significant	Not Significant	Significant	Significant

Table 14 : Analysis of Hypothesis 5, 6, 7 & 8

	Category	Determining factors			
		College Environment	Personality Traits	Pull & Push (Situational Factors)	Other Factors
H5	overall	Significant	Not Significant	Not Significant	Not Significant
H6	Male	Significant	Not Significant	Not Significant	Not Significant
	Female	Not Significant	Not Significant	Not Significant	Significant
H7	MBA	Not Significant	Not Significant	Significant	Not Significant
	MCA	Not Significant	Not Significant	Significant	Not Significant
H8	Employee	Significant	Not Significant	Not Significant	Significant
	Employer	Significant	Not Significant	Not Significant	Not Significant

5.7 Conclusion:

This study examines the student's entrepreneurship intention: college environments, personality traits, pull and push factors, and other factors. Our findings imply that college environment have significant to the overall students entrepreneurship intention not for all disciplines. To increase the entrepreneurship intention the institutions wants to encourage students more towards entrepreneurship and also provide a practice^[2]. The practice provide the knowledge and generation of business idea, and progress of business opportunities

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