



A study on Entrepreneurial Intention of Commerce Graduate of Surat city

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Abstract: An entrepreneur is someone who wants to influence society. He/she produces jobs for society either directly or indirectly by using creativity and innovation. A successful entrepreneur is always seeking for new opportunities and innovative ways to improve product quality. Entrepreneurship environment itself is complex term. The entrepreneurial idea first appears in the 1700s and is widely acknowledged as the key driver of economic growth strategies. Universities in India are making significant contributions to a range of entrepreneurial activities, including conferences focused on entrepreneurship, organised seminars, workshops and distance learning programmes in entrepreneurship, training, and the addition of entrepreneurship as a fundamental subject in their college work. Entrepreneurship is a chance-seeking activity that helps individuals find work and contributes to the resolution of issues like unemployment. India is a growing nation, and its population, particularly graduate students at higher education institutions, has a high percentage of unemployment. From the perspective of globalisation entrepreneurship is a solution for sustainability of a country.

Entrepreneurial activity is considered to be planned behaviour. Hence, attitude towards activity, perceived behaviour and subjective norms are three variables of Theory of planned behaviour by Ajzen is implemented in study. The aim of study is assess link between taking commerce course and engaged in entrepreneurial activity as career choice. To measure effect 287 random samples are taken from Surat city. Using hierarchical multiple regression analysis, hypotheses are evaluated. The ordinary least squares method is used to estimate coefficients.

Keyword: Entrepreneurs, Entrepreneurship, Entrepreneurship intention, Theory of Planned Behaviour, Start up

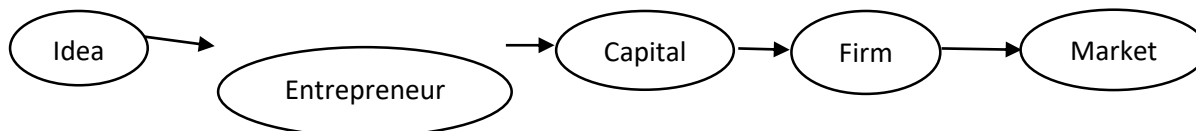
Introduction

Entrepreneur

In general, entrepreneurs perform two crucial functions in the economy: they must first propose fresh ideas and then rev up corporate operations. In its most basic form, the word “entrepreneur”, which comes from the French words entre (between) and prendre (to take), referred to a person who served as a middleman in a project.

The concept of entrepreneur and entrepreneurship includes basic qualities of leadership, invention, enterprise, hard work, vision and Profit maximisation. All the efforts should be directed towards socio-economic development, organisational development and overall development of the community and society. Entrepreneur is committed to progress. Entrepreneur is a catalytic agent of development and change. Personal satisfaction and monetary rewards are blended with social betterment and welfare of mankind (Desai, 2008)

A company concept must be thought of as an invention that can be effectively introduced to the market, and the entrepreneur must locate the resources to make this happen. The entrepreneur is not required to take on all or the most of the risk or have the necessary design, production, or delivery expertise. Indeed, the idea of the entrepreneur as a reckless trader was countered early on by the idea of the entrepreneur as a daring independent manager who could combine capital and labor for their own personal gain (University, 2011). Entrepreneur has to deal with market environment and other factors this deal with business competition represented in the following figure.



Entrepreneurial Intention and Theory of Planned Behaviour

Entrepreneurial action is seen as a carefully thought-out behaviour. As a result, the theory of planned behaviour (TPB) may be used to assess entrepreneurial intention (EI). The three variables that make up Ajzen's TPB for EI are attitude towards entrepreneurial activity, perceived social norms, and perceived behavioural control, or self-efficacy. Even though this model has undergone extensive empirical testing, fresh research on moderation effects could be helpful (Iinan, 2014). The primary driver of innovation and entrepreneurship that fosters economic development is college students. The quantity and calibre of college graduates who pursue entrepreneurship directly affect economic development of the country. According to research majority of students during their graduation phase showed entrepreneurial intention but unfortunately they are not always follow their own determination and they are not willing to take risk for new venture (You You, 2017). According to Theory of Planned Behaviour, Intention are measured by three variables that are as follow:

a. Personal Attitude

Before making choices that lead to actions, people have attitudes towards the world around them and the circumstances that they are in at the time. People's essential values and beliefs are the main influences on how they behave. When making decisions, a person's attitudes might still be influenced by circumstances that may not have been accepted as beliefs and values. The need to impress, political correctness, practicality, peer pressure, and psychological pressures are typical influencing factors. Lack of awareness of oneself or critical insight, as well as uncertainty or confusion regarding values, might result in less logical behaviour in terms of how one person choices.

b. Subjective norms

A social psychology concept known as the "subjective norm" describes a social expectation to engage in or not engage from a specific behaviour. Subjective norms can originate from a variety of sources, some of which include your friends' ideas, your family's morals, the cultural ideals you were brought up with, and the impact of the media.

c. Perceived behavioural control

According to the theory of planned behaviour, perceived behavioural control along with behavioural intention can be used to directly predict behavioural achievement. At least two reasons can be proposed for this hypothesis. First, the constant holding of the intention, the effort expended to achieve it the course of behaviour toward a successful outcome is likely to increase with perceived behavioural control. Another reason to expect a direct relationship between perceived behavioural control and behavioural intention is that perceived behavioural control can often be used as a proxy for actual control. Whether a measure of perceived behavioural control can substitute for actual control depends, of course, on the accuracy of the observations. Perceived behavioural control is realistic, it could be used for predicting probability of successful behavioural attempt (Kautonen, 2013).

Research Hypothesis:

1. Self-efficacy positively affects entrepreneurial intention
2. Attitude towards entrepreneurial behaviour is positively affects entrepreneurial intention
3. Subjective norms positively affects entrepreneurial intention

Variables /Measurements of the study:

| Sr. No | Variables | Research Items |
|--------|---------------------------|---|
| 1 | Personal attitude | A career as an entrepreneur is totally unattractive to me |
| | | If I had the opportunity and resources, I would love to start a business. |
| | | Amongst various options, I would rather be anything but an entrepreneur. |
| | | Being an entrepreneur would give me great satisfaction |
| | | Being an entrepreneur implies more advantages than disadvantages to me. |
| 2 | Subjective norms | My friends would approve of my decision to start a business |
| | | My colleagues would approve of my decision to start a business |
| | | My immediate family would approve of my decision to start a business |
| | | Closer Valuation My immediate family values entrepreneurial activity above other activities and careers |
| 3 | Perceived behaviour | To start a firm and keep it working would be easy for me |
| | | I know how to develop an entrepreneurial project |
| | | I am prepared to start a viable firm |
| | | I can control the creation process of a new firm |
| | | I do not have the skills and capabilities required to succeed as an entrepreneur |
| | | I know the necessary practical details to start a firm |
| | | If I tried to start a firm, I would have a high probability of succeeding |
| 4 | Entrepreneurial intention | My professional goal is to become an entrepreneur |
| | | I am ready to do anything to be an entrepreneur |
| | | I will make every effort to start and run my own firm |
| | | I am determined to create my own firm in the near future |
| | | I have seriously thought of starting a firm |
| | | I have a firm intention of starting my own organization |

Sample

For sampling design university of Surat city is selected as population and affiliated colleges are selected as sample. Colleges are selected based on three criteria as follow;

1. Offering commerce courses
2. Both boys and girls are allowed for study
3. College must have completed five academic year

Total 287 samples of last year's students of graduate and post graduate are collected from colleges by simple random and convenient sampling technique. The study deals with the potential entrepreneurs. According to this theory, university graduates between the ages of 25 and 34 exhibit entrepreneurial behaviours the most, and third year students who are about to graduate are similar to this age bracket since they are near to finishing their career of choice. This is due to the possibility that they view an entrepreneurial career as a wise alternative to a pay job. Additionally, the relationship may be more trustworthy when the interval between desire and behaviour is short, and our sample fits this problem.

Analysis

The measures in (Liñán, 2009) are used to assess both personal attitude and entrepreneurial intention. Six measures are used to measure entrepreneurial intent, while five items are used to measure personal attitude. It is believed that there aren't any trusted indicators of entrepreneurial ambition, however this study claims to be both statistically sound and philosophically sound enough to be used across cultures. There are three different types of assessments that are related to intention: desire ("I want to..."), self-prediction ("How likely it is..."), and behavioural intention ("I intend to..."), with the latter one supposedly producing superior results for behavioural prediction (Thompson, 2009). Furthermore, this scale is a reflecting measure rather than a formative one, which is ideal for the entrepreneurial ambition notion. In light of this, we also employ the behavioural intention measure. An overall scale that is in line with is employed for attitude (Thompson, 2009).

Identification of the proper significant people is crucial for establishing subjective norms, and two issues regarding family and friend decisions are put forth in this study. These two are regarded as undergraduate students' significant others. In light of this, the following two statements are presented for agreement or disagreement: "My family/friends would think highly of me if I started my own business." It is utilised for self-efficacy, which is frequently measured is utilised and widely evaluated.

| | Cronbach alpha |
|--|----------------|
| Self-efficacy | 0.933 |
| Personal attitude towards entrepreneurship | 0.879 |
| Subjective norms | 0.853 |

Table 1 Construct Cronbach alpha value.

Hypothesis are tested by means of hierarchical multiple regression analysis using PASW Statistics 18. Coefficients are estimated using ordinary least squares (OLS). In order to test the Moderator effect of start-up experience, significance values of the interaction term is assessed. Correlation values for the model are presented in the Table 2. Correlations between the constructs are all statistically significant at the $p < 0.01$. All of the correlation values between independent variables are ranging between 0.320 and 0.460 that corresponds to low-moderate correlation levels.

| | 1 | 2 | 3 | 4 |
|---|---------|---------|---------|---|
| 1. Entrepreneurial Intention | 1 | | | |
| 2. Self-efficacy | 0.268** | 1 | | |
| 3. Personal attitude towards entrepreneurship | 0.639** | 0.320** | 1 | |
| 4. Subjective Norms | 0.432** | 0.322** | 0.406** | 1 |

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

Table 2 Co-relation result

The model's regression results are given in the Table 4. According to the Table 4, all of the Relations within the model are significant for the significance value of 0.000 and the adjusted R2 is 0.457. Previous studies find that the generic TPB model explains 30–45% of the variance for intention which is consistent with our results.

| | Beta/Sig. (T value) | VIF (tolerance value) |
|--|---------------------|-----------------------|
| Self-efficacy | 0.271/0.00 (4.084) | 4.032 (0.248) |
| Personal attitude towards entrepreneurship | 0.545/0.00 (14.701) | 1.256 (0.796) |
| Subjective norms | 0.182/0.00 (4.870) | 1.278 (0.782) |
| Self-efficacy × start-up experience | 0.130/0.00 (2.483) | 2.495 (0.401) |
| Personal attitude towards entrepreneurship × start-up experience | 0.169/0.00 (2.871) | 3.182 (0.314) |
| R2 | 0.462 | |
| Adjusted R2 | 0.457 | |
| Standard error of the estimate | 1.27751 | |
| Sig. F | 0.000 | |
| Y = entrepreneurial intention | | |

Table 3. Regression results.

Findings and Conclusion

The results of the regression analysis confirmed each of our three main hypotheses. According to the concept, a person's attitude towards engaging in entrepreneurial behaviour and self-efficacy, together with subjective standards, are the two most important determinants of entrepreneurial intention. Most previous studies have found that self-efficacy and personal attitudes towards entrepreneurial conduct have an impact on entrepreneurial intention. Previous studies have shown that subjective standards do not generally hold and have complicated outcomes. In other words, for some studies, the effect is modest, while for others, it is very minor.

The influence of both self-efficacy and personal attitude towards entrepreneurial activity on entrepreneurial intensity increases for graduate students who are going to start their own business. With this results it is proved that subjective norms (Culture, society and family background) and entrepreneurial intention have positive effect.

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