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Business Education and Inclination Towards Self-employment

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Abstract: Intention to become entrepreneur needs a thorough and timely assessment. This would enable rendering of education about knowledge, skills, abilities and management of business ventures and would also aid in future prosperity of the nation's economy. Students pursuing business management course were surveyed on attributes linked to entrepreneurial intentions. The inter-correlation between study variable and impact of demography is presented.

Keywords: Education, Self-employment, Entrepreneurship.

BACKGROUND

The origin of the word entrepreneur stems from the French language and translates to undertake or endeavour to do something. The division of the word yields two sets of words. One part comprises 'entre' which is associated with 'between' while the other part comprises 'preneur' which is associated with 'taker'. Thus a literal translation of the word 'entrepreneur' would mean 'go-between' or 'between-taker'. Thus entrepreneurs are actors in an economy who play the role of middlemen in conversion of raw elements into other forms or selling of goods for profitability and growth.

The four categories with respect to characteristics of successful entrepreneurs are Demand and Requirement characteristics, Learnable characteristics, Achieved characteristics, and Ascribed characteristics.

The attributes that people possess by virtue of hereditary inheritance or genes is referred to as ascribed characteristics. It is also possible that these traits can be honed with progress of time but not involving much effort. Examples comprise ethnicity, gender, race, age and social and economic background of the individual.

Traits that are acquired as a result of amalgamation of choices made by the individual, possession of skills and the amount of effort are referred to as achieved characteristics. Examples comprise occupation, educational level and career experience of the individual.

Traits that entrepreneurs wish to learn and imbibe by mingling with other successful entrepreneurs is referred to as learnable characteristics. The idea is to foster a business of high potential.

LITERATURE REVIEW

Remeikiene et al. (2013) measured the impact of entrepreneurship education in creating entrepreneurial spirit among youth. The study confirmed that the most important entrepreneurial intentions are personality traits, self-efficacy, call for achievement, pro-activeness, risk-taking, mind-set towards self-employment, locus of control, and behavioural control and they can be developed throughout the study course. The result of the study expressed that both economics students and mechanical engineering students have parallel inspiration for business initiation. It was found that in the study, third year students of economics have been marked by 77 per cent and fourth year students of mechanical engineering have been marked by 70 per cent considered to start-up personal business. This study had been marked that the economics students hold more positive attitude towards the importance of entrepreneurship education in relation to launch of business in contrast with the mechanical engineering students. It was concluded that the economics students opined that education greatly contributes to their achievement, knowledge of business operation, expansion of internal locus of control and behavioural control.

Samuel et al. (2013) considered the entrepreneurial objective among the students of Sunyani Polytechnic, and as well to find out the motivators, and obstructions to entrepreneurial intention. The study was based on quantitative exploratory appraisal design. Results pointed out that there was high entrepreneurial intention among the students. It was also disclosed that there were important motivators for intention over and above obstructions to forecast one's firm. The findings designated that demographic variables such as gender, age, religion influence responses specified by respondents. The results revealed that there was more intention and that students are concerned to become entrepreneurs. It was also found that there were motivators and obstructions to entrepreneurship intentions in the nation. It was suggested that further research must be carried out in the public and private universities to grant support for these results and also entrepreneurial learning must be initiated into the tertiary institutions which are not at present providing entrepreneurship programmes.

Kakkonen (2012) examined intentions of higher education students' capabilities in business and their desire to entrepreneurship. The sample considered second- and third-year business studies students. The collected data were judged by educational years, by gender and internationality. On the whole, the findings designated that the students were fairly self-assured in rating their business capabilities, while the perceptions of their entrepreneurial intention stayed at the lesser level. Based on the findings, there were only little distinctions amid the second and third years, yet the intercontinental students placed themselves with top scores than the Finnish students. Further, the findings explained that there were no statistical distinctions between male and female students linked to their discernment of the business capabilities and entrepreneurial intention. In conclusion, all things considered that the intercontinental students had more scores than the Finnish students both in all the capabilities and in their intention towards entrepreneurship.

Moi et al. (2011) performed to discover the factors that strain the entrepreneurial intention among students in college education. This study focussed to measure the significance of attitude of students, role models in their family, academic background, perceived university setting and perceived educational uphold in influencing their entrepreneurial intent. The study offered new outlook to appreciate the factors which influence the young adults' entrepreneurial intention. The results highlighted again the magnitude of attitudes, learning, academic course and role models on the entrepreneurial intention of youngster students. The study had valuable implications to the academicians, educators and policy makers. Academic communities can sketch and extend a more efficient entrepreneurship guidance education system by concerning the correct entrepreneur knowledge and obligation. The effects validated that attitude is the most significant variable that correlated with the entrepreneurial intention of youngster students. The findings had offered some outlook into understanding the entrepreneurial intent of youngster students.

Gasse and Tremblay (2011) demonstrated that entrepreneurial deed is vigorously influenced by morals, attitudes and beliefs of various people. Findings of the study revealed that national culture and social milieu have an influence on beliefs; it was considered as more important. However, although it might be sensible to consider that the microeconomic and cultural atmosphere of some nations favour entrepreneurial activities whereas others reject it, further research was required in this respect. Therefore, this study offered the results to recognize better and evaluate the intentions, interests and occurrence of university students from United-Kingdom, Columbia, Germany, Canada, Tunisia, France, and Romania. The results of the study also judged these different groups in connection with their beliefs and perceptions concerning entrepreneurship. In conclusion, the study nevertheless brings up some appealing avenues relating to both the entrepreneurial outline of the campus students in the above mentioned countries, in addition to their perceptions and attitudes about entrepreneurial presentation.

Ali et al. (2011) investigated entrepreneurial outlook among prospective entrepreneurs in Pakistan. Multi-stage sampling was administered, 480 Masters of Business Administration students from six Pakistani universities were considered for the collection of data. It was found that three factors appeared in the study, these are entrepreneurial acceptability, entrepreneurial intent and personal aspects. Furthermore, the study analysed the discernment of the prospective entrepreneurs on locus of control, self-efficacy; subjective norms and instrumental willingness of the prospective entrepreneurs. It was found that the mainstream students showed usually positive attitudes headed for entrepreneurship at all the universities. Results revealed that, in general, there was a considerable divergence between negative and positive attitudes. The conclusion revealed that there was also some brunt of demographic factors, such as college, parental income and occupation. It was asserted that genders demonstrated parallel attitudes at most of the sample institutes.

Maalu et al. (2010) investigated the motives for the formation of new venture and the entrepreneurial characteristics of those persons accountable for the appearance of new firms. This study was conducted to know how the students of Nairobi perceive their entrepreneurial capability corresponding to personal goals. This study revealed that the entrepreneurial capability is influenced by a lot of features like own skills and talent utilization, complete control of own prospect, personal achievement, being a owner, freedom to take own decisions, the chance to leave new ideas, financial freedom and security, challenging and stimulating work performance, guaranteed stress-free and peaceful life, dedication of free time for family betterment, leisure time to carry out other work, hobbies and other entertainment interests, chance to extend abilities of employees, chance for wealth creation, aspiration to live an exploratory and stimulating life, the aim to

start own career, eventual goal to be entrepreneurship and the inclination to become an powerful person to the future. It was concluded that the perception of students as entrepreneurs can be regarded as with six perceptions like, desire, comfy running own business, lifestyle, dedication, entrepreneurship as a basis of wealth and affluence of the individual.

RESEARCH QUESTIONS

Do entrepreneurial intentions have an association with other study variables?

Does demography have an impact on entrepreneurial intentions?

METHODOLOGY

642 students pursuing full-time Masters’ degree in Business Administration (MBA) under Periyar University (university department and affiliated colleges), Salem in Tamilnadu State, India were surveyed using multi-stage sampling and survey method employing a structured questionnaire.

ANALYSIS AND DISCUSSION

H₀₁: There is no association between entrepreneurial intentions and other study variables, namely, self-perception features; psychological features; social features; disposition features, education system; and exposure to family business.

Table 1
Inter-Correlation Matrix

		<i>SPF</i>	<i>PF</i>	<i>SF</i>	<i>DF</i>	<i>ES</i>	<i>EFB</i>	<i>EI</i>
SPF	r	1	0.717**	0.536**	0.472**	0.260**	0.055	0.595**
	p		0.000	0.000	0.000	0.000	0.163	0.000
PF	r	0.717**	1	0.557**	0.513**	0.326**	0.063	0.736**
	p	0.000		0.000	0.000	0.000	0.111	0.000
SF	r	0.536**	0.557**	1	0.570**	0.303**	0.078*	0.466**
	p	0.000	0.000		0.000	0.000	0.049	0.000
DF	r	0.472**	0.513**	0.570**	1	0.374**	0.236**	0.523**
	p	0.000	0.000	0.000		.000	00.000	0.000
ES	r	0.260**	0.326**	0.303**	0.374**	1	0.333**	0.415**
	p	0.000	0.000	0.000	0.000		0.000	0.000
EFB	r	0.055	0.063	0.078*	0.236**	0.333**	1	0.158**
	p	0.163	0.111	0.049	0.000	0.000		0.000
EI	r	0.595**	0.736**	0.466**	0.523**	0.415**	0.158**	1
	p	0.000	0.000	0.000	0.000	0.000	0.000	

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

* Correlation is significant at the 0.05 level (2-tailed).

r - Pearson Correlation coefficient; p - Significance (2-tailed); SPF - Self- Perception Features; PF - Psychological Features; SF - Social Features; DF – Disposition Features; ES - Education System; EFB - Exposure to Family Business; EI - Entrepreneurial Intentions.

Source: Primary Data.

Analysis: It can be seen from Table 1 that self- perception features, psychological features, social features, disposition features, education system, and exposure to family business have an association with entrepreneurial intentions in view of the fact that p value is significant. Exposure to family business does not have an association with self-perception features and psychological features as the p value is greater than 0.05.

Discussion: Entrepreneurial intentions have a positive association with the following:

- (a) Self-perception features ($r = 0.595$)
- (b) Psychological features ($r = 0.736$)
- (c) Social features ($r = 0.466$)
- (d) Disposition features ($r = 0.523$)
- (e) Education system ($r = 0.415$), and
- (f) Exposure to family business ($r = 0.158$).

Each study variable has an association with all other study variables except in the case of exposure to family business. Thus, exposure to family business does not have an association with self-perception features and psychological features.

Impact of Gender (t-test)

H_{02} : There is no significant difference between male and female with respect to perception about entrepreneurial intentions.

Table 2
Gender and Entrepreneurial Intentions

<i>Attribute</i>	<i>Gender</i>	<i>N</i>	<i>Mean</i>	<i>t value</i>	<i>p value</i>
Entrepreneurial Intentions	Male	374	14.18	0.616	0.538
	Female	268	13.96		

N – count; t – test statistic; p – significance value.

Source: Primary Data.

Analysis: It can be seen from Table 2 that Null Hypotheses H_{02} is accepted as the p value is greater than 0.05.

Discussion: There is no significant difference between male and female with respect to perception about entrepreneurial intentions.

Impact of Age (One-way ANOVA)

H_{03} : There is no significant difference between age group with respect to perception about entrepreneurial intentions.

Table 3
Age and Entrepreneurial Intentions

<i>Age Groups</i>		<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F value</i>	<i>p value</i>
Entrepreneurial Intentions	Between Age Groups	169.043	3	56.348	3.027	0.029*
	Within Age Groups	11876.072	638	18.615		
	Total	12045.115	641			

* significant at p<5% level; df – degrees of freedom; F – Fischer; p – significance value.

Source: Primary Data.

Analysis: It can be seen from Table 3 that Null Hypotheses H_{03} is rejected as the p value is lesser than 0.05.

Discussion: There is significant difference between age group with respect to perception about entrepreneurial intentions.

Impact of Community (One-way ANOVA)

H_{04} : There is no significant difference between communities with respect to perception about entrepreneurial intentions.

Table 4
Community and Entrepreneurial Intentions

<i>Community groups</i>		<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F value</i>	<i>p value</i>
Entrepreneurial Intentions	Between Community Groups	139.542	3	46.514	2.493	0.059
	Within Community Groups	11905.574	638	18.661		
	Total	12045.115	641			

df – degrees of freedom; F – Fischer; p – significance value.

Source: Primary Data.

Analysis: It can be seen from Table 4 that except Null Hypothesis H_{04} is accepted as the p value is greater than 0.05.

Discussion: There is no significant difference between communities with respect to perception about entrepreneurial intentions.

Impact of Admission Category (t-test)

H_{05} : There is no significant difference between management quota and government quota students with respect to perception about entrepreneurial intentions.

Table 5
Admission Category and Entrepreneurial Intentions

<i>Attribute</i>	<i>Admission category</i>	<i>N</i>	<i>Mean</i>	<i>t value</i>	<i>p value</i>
Entrepreneurial Intentions	Management	359	14.12	0.232	0.816
	Government	283	14.04		

N – count; t – test statistic; p – significance value.

Source: Primary Data.

Analysis: It can be seen from Table 5 that Null Hypothesis H_{05} is accepted as the p value is greater than 0.05.

Discussion: There is no significant difference between management and government quota students with respect to perception about entrepreneurial intentions.

CONCLUSION

Entrepreneurial intentions have a positive association with Self-perception features, Psychological features, Social features, Disposition features, Education system, and Exposure to family business.

There is significant difference between age group with respect to perception about entrepreneurial intentions. There is no significant difference between male and female with respect to perception about entrepreneurial intentions. There is no significant difference between communities with respect to perception about entrepreneurial intentions. There is no significant difference between management and government quota students with respect to perception about entrepreneurial intentions. Exposure to family business does not have an association with self-perception features and psychological features

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