

Bolster entrepreneurial attitudes and intention among post-graduates in India

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Introduction

There is a huge increase in youth unemployment compared to adult unemployment in many regions and persistently high throughout the world (ILO, 2013). Unfortunately, majority of youth labor force prevail in developing economies, where Asia takes the lead. Being the second largest country, huge number of youth domiciliate in India next to China. Large number of youth in India experiences the challenge of structural and frictional unemployment.

The latest unemployment figures released by Ministry of Statistics and Programme Implementation showed a remarkable unemployment in India continued to rise. The entrepreneurship is one of the best career options to relieve from the challenges of unemployment. It plays a vital role in creating new, competitive markets and businesses which lead to job creation and have a multiplying effect on the economic development of the country (Christy & Dassie, 2000; Saini, 2001; UNDP, 2001; Lumpkin & Dress, 1996). Cognize the prominence of entrepreneurship, policy makers in India introduce several schemes to reduce the level of unemployment. Yet, the young generation in India recedes to take-up entrepreneurship as their career option.

Becoming an owner of an enterprise could be an alternative for a young person who has an entrepreneurial mindset but needs a person to possess some basic requirements like skills, attitudes and knowledge. Individuals could exhibit varied level of skills, attitudes and knowledge, based on their education, personal traits, environmental and social influences. Hence there is link between education, personal traits, and entrepreneurial behaviour. Thus this research is aimed at providing additional insights and understanding of the relationship between educational differences, entrepreneurial attitude, intention and entrepreneurial behavior. This can help to develop interventions that will enable the individuals to channelize their efforts towards venture initiation.

Methodology

The empirical analysis has been carried-out on a sample of final year postgraduate students from science and humanities fields of study, during academic year 2013-2014 from non-autonomous colleges in India. The sample size consists of 701 postgraduate students from the various colleges affiliated to Bharathiar University which represents 77% response rate from the total of 900 in the targeted fields of studies. Study used stratified random sampling method to select the sample respondents for the questionnaire.

The questionnaire consisted of two parts. The first part consist demographic profile of the respondents. Second part consisted of questions eliciting information about Entrepreneurial Intention, Entrepreneurial attitude and Entrepreneurial Behavior. The survey instrument was based on a five point Likert scale to determine the extent of the agreement or disagreement with the statements.

Study employed Structural Equation Model (SEM) to examine the relationship between entrepreneurial attitudes, intention and behavior and the differences among respondents' behavior towards entrepreneurial activity according to their domain of speciality variation.

Results and Discussion

The structural regression model is presented in Figure1. The model is formulated in AMOS, notation using Achievement, Innovation, Self-esteem, personal control, commitment, risk-taking, attitude, feasibility, desirability, motivation, inclination and aspiration for the observed variables, f1 to f12 for the error terms associated with the observed variables, and latent variables are known as entrepreneurial attitude, entrepreneurial intention and entrepreneurial behavior. The model examines how entrepreneurial intention and entrepreneurial attitude together effect on entrepreneurial behavior among postgraduate students. Unstandardized estimates are presented in the figure.

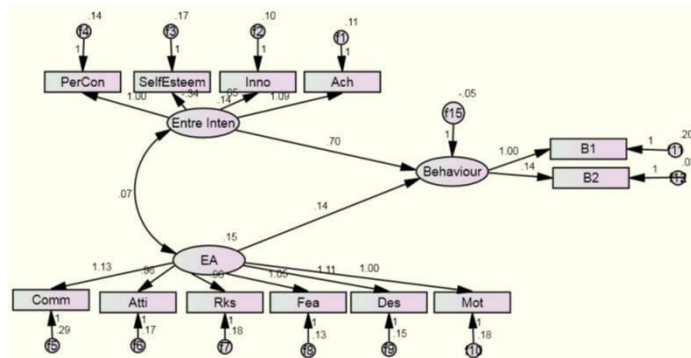


Figure 01: Entrepreneurial attitude, Intention and entrepreneurial behavior

The proposed behavioral model reveals the excellent overall adaptive degree between model and observed data, proving that the theoretical model can fully explain observed data and further compare the effects of all variables. The significance test of estimated parameters of the model shows that entrepreneurial intention and entrepreneurial attitude have significant impact on behavior. The SEM relating to the measurement model fitted with data ($\chi^2 = 218.6$, d.f. = 51, $p < 0.001$; goodness-of-fit index (GFI) = 0.954; comparative fit index (CFI) = 0.932; Tucker-Lewis index (TLI) = 0.912; adjusted goodness-of-fit index (AGFI) = 0.930; and the badness-of-fit index relating to the root mean square error of approximation (RMSEA) = 0.069). The GFI and CFI index are above the threshold level of 0.90 which suggests a good fit model. The AGFI was above the 0.8 guideline, and the level of RMSEA was acceptable (below 0.1).

Both the entrepreneurial intention (i.e., path parameter of 0.70 ($p < 0.05$)) and entrepreneurial attitude (i.e., path parameter of 0.14 ($p < 0.05$)) factors were significant. Students reporting higher entrepreneurial intention were more likely to enroll in entrepreneurial endeavor. Moreover, students reporting higher level of entrepreneurial intention were also more likely to enroll in formation of entrepreneurial activity.

Conclusion

This study assessed the link between entrepreneurial attitude, intention and the behavior of selecting entrepreneurship as a career option. The empirical findings of the study support the findings of previous research that there is a positive relationship between entrepreneurial education and the intention to start businesses by students at a higher education level. The study also revealed that encouragement of entrepreneurial intention and attitude motivate the youngsters to take-up the entrepreneurship as, their career option

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