Study on the Factors Influencing Entrepreneurial Intentions among University Students

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Abstract

University students are the most capable segment of the potential entrepreneurial supply, and their reactions may stimulate policy inferences. This paper focuses on reviewing the findings of previous studies conducted by various researchers with the aim to identify the determinants or the factors that are influencing the entrepreneurial intentions (decisions) among university students. The study draws a conclusion about further investigations needed to be conducted regarding the entrepreneurial intentions among university students to better comprehend this complex field of innovation and entrepreneurship. Research has shown that entrepreneurship will help these university graduates to develop their own careers and also ease unemployment by expanding the job market. Entrepreneurship is the key source of economic growth and innovation in both developed and emerging and developing economies. This paper will provide a comprehensive analysis on the impact of individual/psychological factors, family background factors and social environment factors on individual’s entrepreneurial intentions.

Keywords: entrepreneurship, entrepreneurial intention, business, university students

Introduction

Unemployment has been rising all over the world, and the employment problem of university graduates is becoming more and more serious. Entrepreneurship is the solution to unemployment problems (Egunsola et al., 2012).

In modern societies, entrepreneurship is one of the most potent economic forces. Our future wellbeing therefore depends critically on current and future entrepreneurial activities. Young people, and especially the students, represent tomorrow’s entrepreneurs. It is therefore imperative to know how many students intend to pursue an entrepreneurial career, why, why not, and how many are or have already created a business in the founding process (International GUESSS Report, 2016). Venture creation is therefore a major source of employment in many countries. According to Reilly & Carsrud (2000), the entrepreneurial intention is the best predictor of entrepreneurial behavior or the creation of a new business. The reasons of why students do or do not intent to run their own business have been interested by many researchers in entrepreneurship literature (Iakowleva et al., 2014; Moriano et al., 2012; Krueguer et al., 2000; Kolvereid, 1996). Entrepreneurs play a crucial role in developing the national economy, well-
being of a society (Iakowleva et al., 2014), innovation and employment (Kelley et al., 2011). Policymakers, companies, government and other agencies are becoming increasingly interested in entrepreneurial growth (Owoseni, 2014).

This paper also examines the influence of other factors such as individual/psychological factors, family background factors and social environment factors. The purpose of this study was to explore the factors that influence entrepreneurial intentions among students in Nepal. To promote graduate entrepreneurship and drive employment through entrepreneurship, students' entrepreneurial intentions and their influencing factors need to be explored. The objective of this literature review study is to analyze researches previous carried out in the field of entrepreneurship to identify the determinants or the factors that are influencing the entrepreneurial intentions (decisions) among university students.

According to report published by the Global Entrepreneurship Monitor (GEM), the most common age group for new startups in most economies was the age range of 25–34 or 35–44. People of this age may be more courageous about their future and more excited about opportunities (GEM, 2018–2019 Global Report, p. 22). This study examines the entrepreneurial intentions of educated young people of Nepal and provides suggestions to policymakers for potential policies that could strengthen the economy. Without understanding the factors related to EI among university students, countries may neglect the entrepreneurial pool that is likely to develop after graduation. Countries with a high unemployment rate should use their entrepreneurial potential for good economic conditions and well-being. Particularly in low-and middle-income countries (such as Nepal), the role of an entrepreneur in the economy is very important.

**Motivation of the Study**

There is a lack of entrepreneurial activity for economic development in Nepal. University students constitutes the most capable segment of potential entrepreneurial supply, and their reaction may have stimulating policy inferences.

Some of today's most famous companies were founded on the university campus. Facebook was founded in 2004 by Mark Zuckerberg, Dustin Moskovitz, Eduardo Saverin, Andrew Mccolumn and Chris Hughes, who created one of the most successful social networks. Google was founded in 1998 by Larry Page and Sergey Brin, who met for the first time on their Stanford University campus tour. The pair became friends and developed the most powerful and effective search engine in the world while they were PhD students working together on the Stanford Digital Library Project. Jerry Yang and David Filo, a pair of Stanford University PhD candidates in 1994, founded Yahoo. Dropbox was founded by MIT students Arash Ferdowski and Drew Houston in 2007, who were tired of email’s inability to send and receive large files. Reddit, founded in 2005, is an information sharing website on which users have the ability to vote on content, and was created by Steve Huffman and Alexis Ohanian, both students at University of Virginia. And Snapchat, a hugely popular app that enables user editing of picture and video
content along with duration of availability, was created by two frat brothers Evan Spiegel and Robert Murphy at Stanford (2011), when Murphy entered Spiegel’s room to chat about a photo he regretted sending and how it would be easier if the photo magically disappeared once the recipient viewed it. Startups are increasingly coming from universities and student founders. An in-depth analytical investigation of them and their communities is therefore crucial.

Methods

This is the review study which examined the determinants or factors that influence the entrepreneurial intentions (decisions) of university students in the course of this descriptive research; a secondary source has been used. The types of secondary data used are journals of research and books. There are several factors that affect entrepreneurial intentions, such as: personality traits (self-confidence, risk-taking skills, control locus, need for achievement, etc.), cultural factors (religion), social factors (role models), economic factors (monetary aspects), political factors, demographic factors, technological factors, etc. In order to analyze more accurately the impact of those factors on university student’s entrepreneurial intentions, we utilize structural equation modeling (SEM) to verify the conceptual model we constructed.

Literature Review and Conceptual Model

Entrepreneurship is about establishing a new business where no one existed before. The first type of entrepreneurship is small and medium enterprise entrepreneurship (SME). Innovation-driven enterprise (IDE) Entrepreneurship is the second type. SME vs. IDE Entrepreneurship: Focus on addressing local and regional markets only. Focus on global/regional markets. Innovation is not necessary to SME establishment and growth, nor is competitive advantage. The company is based on some sort of innovation (tech, business process, and model) and potential competitive advantage. “Non-tradable jobs”-jobs generally performed locally (e.g., restaurants, dry cleaners, and service industry). “Tradable jobs”- Jobs that do not have to be performed locally. Most often family businesses or businesses with very little external capital, more diverse ownership base including a wide array of external capital providers. The company typically grows at a linear rate. When you put money into the company, the system (revenue, cash flow, jobs, etc.) will respond quickly in a positive manner. The company starts by losing money, but if successful will have exponential growth which requires investment. When you put money into the company, the revenue/cash flow/jobs numbers do not respond quickly. Innovation is all about entrepreneurship. Innovation is the result of pain and problem. Professor Ed Roberts from MIT: Innovation= Invention X Commercialization. Innovation is a product rather than a sum of invention and commercialization. If there is commercialization but no invention or invention but no commercialization then no innovation is present.

The invention (an idea, a technology, or some sort of intellectual property) is important, but the entrepreneur does not need to create the invention. In fact, the inventions that lead to innovation driven
companies often come from elsewhere. Such was the case with Steve Jobs, who identified others’ and commercialized them effectively through Apple.

Studies have shown that a potential growth in entrepreneurship activities has a positive impact on social development as well as on the contribution of the national economy (Gürol & Atsan, 2006, p. 52; Yaman, 2018; Zarefard & Cho, 2017). All in all, we know that “Entrepreneurs contribute to employment and prosperity in their communities” (GEM, 2018–2019 Global Report, p. 25). In the literature, the contribution of entrepreneurship to the economy has been highly processed and the positive impact of entrepreneurship on the economy has been empirically proven many times (Audretsch et al., 2001; Carree & Thurik, 2003; Quadrini, 2009; Reynolds et al., 2005; Schmitz, 1989; Wong et al., 2005). However, for more than a decade, policymakers and researchers have done a lot of work on discovering the factors that influence EI and trying to understand the literature on entrepreneurship (Kautonen, Van Gelderen, & Fink, 2015). The main objective of the researchers and policymakers in this area is to positively influence the entrepreneurial intentions of individuals and to transform these intentions into new business set-ups in the real world. The first step for this is to understand the ‘entrepreneurial intention (EI)’. According to Cognitive Theory, intention can be defined as a specific tendency that leads an individual to perform an action or a series of actions, as it is the product of conscious thinking that directs behavior (Ajzen, 1991). In this context, EI can refer to the intention of an individual to create a new firm and/or a new job. Researchers have developed many models to explain intention (e.g. the Entrepreneurial Event Model (EEM), Theory of Planned Behavior (TPB)). The most comprehensive and widely accepted theory that describes EI is TPB. TPB basically assumes that there are three antecedents that affect EI. These are perceived behavioral control (PBC), attitude towards behavior (ATB) and subjective norms (SNs). Although these antecedents are discussed in detail later in the study, following the study of Linan & Chen (2009), it [i.e. the study] has also tried to once again reveal the strength of this model in predicting EI. Therefore, the EI in this study has been discussed within the scope of TPB. In this study, the EI was measured among university students. This is because, in line with the literature (Liñán & Chen, 2009; Nabi, Linan, Fayolle, Krueger, & Walmsley, 2017) ‘university students’ are marked as the most important potential entrepreneur candidates. Many studies (Nabi et al., 2017, p. 278; Nabi & Linan, 2011) have emphasized that university students are the most important tool in combating unemployment as well as increasing competitiveness (Türker & Selçuk, 2009, p. 143). Thus, the way to transform potential entrepreneur candidates (here, university students) into real entrepreneurs would seem to be to have the ability to identify factors affecting EI with deeper knowledge. There are many definitions for entrepreneurship developed over the few recent decades. Schumpeter (1960) considered that entrepreneurs are people who create new products or services in new or existing market and entrepreneurship becomes one of the most important factors in countries’ economic growth (Schumpeter, 1960, p.12; De Bruin et al., 2006, p. 686). “The environment itself creates entrepreneurship” (Bernat et
al., 2016, p. 271), the reason is that operating organizations have a must for reacting quickly to unanticipated changes, they also need “to adapt to unpredicted outcomes of the predicted changes” (Timmons, 1990). Kirzner (1985) defined that entrepreneur as a person who might optimize information in such a way in order to discover the new and improved business opportunities (Korpysa, 2012). Talpas (2014, p.198) considered entrepreneurship as a process that can be recognized throughout business activities by showing effective leadership within uncertain market, risks and competitive conditions, while Zimmer and Scarborough (1996, p.19) claimed that entrepreneurs can also be known as the owners who, with skillful manner, who are able to associate various factors of production, transform to a smaller economic resources into a bigger platform effectively and rising profits. Also, entrepreneurship is the process of creating and building new venture and new business organization (Shane & Venkataraman, 2000), that not only provides goods and services, creates job opportunities but also contributes to the development of economy and the national income. Lin et al. (2017) argued that “it is the process of designing, launching and running a new business”, and it also tends to some topics such as policy, government programs, entrepreneurial training, funds, etc. that not only promotes the development of starting a new business but it also supports entrepreneurs in their business activities. In addition, OECD (2006) stresses that entrepreneurship is defined as a process, where entrepreneurs establish and develop enterprises to supply new products and services, or create additional value to products and services. Entrepreneurial intention

Krueger & Brazeal (1994) defined entrepreneurial intention as the intent to set up a new business, or the intent to be self-employed (Douglas & Shepherd, 2002) or the intent to own a business (Crant, 1996). There are many reasons such as personal circumstances, social and politic issues and business environment, which might become either big obstacles or motivated factors to transform this intent becoming a reality. Thus, entrepreneurial intention is perceived as an essential and fundamental condition to be a nascent entrepreneur. Whereas entrepreneurship is determined as the emergent process of an organization (Gartner et al., 1992), an individual’s intention to pursue an entrepreneurial career is crucial to this process (Lee et al., 2011, p.126). Moreover, entrepreneurial intention is considered the first step in a series of action to found an organization (Bird, 1988), yet Fishbein & Ajzen (1975) argued that intentions toward a behavior can be seen as important indicators of that behavior. In other words, intentions are still seen as the best predictor of individual behavior (Krueger, 2008). According to Ajzen (1991), who introduced Theory of Planned Behavior, intentions are determined by social/subjective norms and perceived behavioral control. Social norms are considered individual’s perception of his or her behavior that is consistent with significant thoughts of others, while perceived behavior control is the range of the target behavior within the ability of a decision maker (Esfandiar et al., 2017; Bygrave & Hofer, 1991). Do and Dadvari (2016) also defined entrepreneurial intention as an attentive state of mind that reflects personal experience, awareness
and interest toward planned entrepreneurial activity

**Entrepreneurial Intention (EI)**

In general, intention can be defined as an individual's motivation to carry out a conscious plan or movement (Conner & Armitage, 1998). According to cognitive theory, intention can be defined as a specific tendency which leads a person to perform an action or a series of actions as it is the product of conscious thinking that directs behavior (Ajzen, 1991; Parker, 2004). In this context, EI may be referred to as the intention of an individual to establish a new firm and/or a new job or new value driver in existing organizations (Wu & Wu, 2008). Zhao, Hills and Siebert (2005) define EI as an intention to start a new business, while Thompson's (2009) definition focuses on an individual's belief that aims to start a new business in the future. Krueger, Reilly and Carsrud (2000) have shown that the EI is the primary predictor of future entrepreneurial behavior. The EI predicts that people will choose to set up their own firms (Davidsson, 1995, p. 6). Thus, in order to understand the processes leading to the establishment and growth of new companies, it is necessary to understand and explain the EI of individuals and the entrepreneurial attitudes behind it in detail (Krueger, 2007, p. 124). Entrepreneurship intentions shall determine the form and direction of the organizations at their inception. As a result, future activities such as survival, growth and development of these organizations will be the result of these intentions (Bird, 1988). In other words, understanding individual entrepreneurial intentions (EIs) means understanding the actual behavior of entrepreneurs at the end of decision-making processes (Bird, 1988; Lee, Lim, & Pathak, 2011, p. 6; Shook, Priem, & Mcgee, 2003, p. 380). Entrepreneur's intention among students can be defined as factors that directly or indirectly affect the decision of the students to be an entrepreneur or say to set up a business. The intention is very important before the establishment of any business enterprise. Intention is the starting point for self-employment and the start-up of a business. There is a very limited understanding of the factors affecting the EI of young people (such as students) who have not yet started their own business ventures (Veciana, Aponte, & Urbano, 2005). So, basically, entrepreneurship intention can be defined as the idea of pursuing entrepreneurship and the brainstorming with regard to the entrepreneurship. Intentions are regarded as the best indicators of planned behavior (Krueger et al., 2000, p. 411), especially when that behavior is rare and entrepreneurial behavior is largely planned. In this study, university students were identified as the target group to predict EI. According to Mueller & Thomas (2000, p. 62–63), there are many important reasons for selecting university students as target samples in EI studies. Today's university students are believed to be a significant part of the pool of potential entrepreneurs in both developed and developing countries.

**Leading EI Models**

In the 1980s, EI studies mostly focused on personality variables, demographic features, background and social environment, which have an impact on EI (Gartner 1988; Kolvereid, 1996; Shapero & Sokol, 1982). Nevertheless, the
modelling of entrepreneurship mostly based on personality traits (e.g. need for achievement, locus of control) and demographic factors (e.g. age, gender, origin) does not demonstrate much understanding about how the entrepreneurial process takes place (Linan et al., 2011, p. 197). According to Gartner (1988, p. 48), focusing on the personality characteristics of the entrepreneur or trying to define the entrepreneur is not useful in understanding entrepreneurship because an average personality profile of entrepreneurs cannot be determined. In the 1990s, academicians and practitioners in the entrepreneurial field began to adopt the integration of theories from the area of social psychology (Linan & Fayolle, 2015, p. 908). Later, the studies mostly focused on the prediction of EI rather than its realization (Van Gelderen et al., 2008). This period, which started with the social cognitive theory proposed by Bandura (1986), proposed a framework model for understanding or predicting human behavior. After that, studies focused mostly on understanding the entrepreneurship process and a number of models have been developed to explain EI (Davidsson, 1995, p. 4; Segal et al., 2005, pp. 44–47). The best known of these are: (1) Bird’s conceptual model of intentionality; (2) the Entrepreneurial Event Model (EEM); and (3) the Theory of Planned Behavior (TPB) (Shook et al., 2003, p. 383).

**Theories of entrepreneurial intention**

The model of Entrepreneurial Event (EE) developed by [18] suggests that human behaviour is guided by inertial and so an individual will not stop doing a particular thing unless he or she is interrupted by a force outside itself. [18] and [19] stated that, the interruptions may be negative or positive, this force the decision makers to choose the best available opportunity out of other options. According to EE theory, factors that determine intentions, are perceived desirability which refers to the attractiveness related to the task of starting up a business and becoming an entrepreneur, (perceived feasibility which refers to the degree to which an individual feels that he/she is capable of starting a new venture, and the propensity to act upon opportunities which refers to the individual’s willingness to act on decisions. For the model outside factors do not directly influence individual’s intentions. Start-up intentions come from two main dimensions, perceived desirability and perceived feasibility.

Another model on intentions is the Theory of Planned Behaviour (TPB). The theory provides a framework for understanding and predicting the entrepreneurial intention through personal and social factors. Ajzen’s theory of planned behaviour (TPB) assumes that human behaviours are planned and are therefore preceded by intention toward that behaviour. Behavioral intentions are determined by three main attitudinal antecedents which are 1) Attitude toward Performing the Behaviour; 2) Subjective Norm and 3) Perceived Behavioural Control. All other factors are theorised to influence intentions through these three components. Attitude toward performing the behaviours is defined by Ajzen as the perception of an individual or their judgment of performing a particular behaviour, the expected results and the impact of the outcomes. Outcomes may be personal quality of life, personal wealth, independent, stress, and
community benefits. People will choose to be entrepreneurs if the total utility they expect to obtain from an entrepreneurial venture, are more than the expected utility from the best employment they can get in the job market. The entrepreneurial utility is defined as benefits derived from income, independence, risk bearing, work effort, and the special rewards linked with self-employment. The second antecedent, subjective norm, is defined as the individual’s viewpoints of the values, thinking, beliefs, and norms held by significant others who have a huge influence on them or whom they really respect. Normative beliefs concern the perceived probability that important referent individuals or groups will approve or reject a given behaviour. These individuals or groups set the norm that specifies how the subject should behave. An example of social norms could be that family members expect you to become a doctor or an engineer in the future just because it is considered as an honour and a famous career under the view of majority Ghanaian people. In Ghana for example people from Kwawu origin are expected by their families to own businesses, a family tradition. The impact and predictive power of social norm is weak in individuals who have strong desire to achieve and a high orientation to implement the behaviour or who has high level of internal locus of control. The subjective norm construct is generally found to be a weak predictor of intention. There are a lot of conflicting opinions and assertions. A direct relation between subjective norms and entrepreneurial intentions others do not. The Perceived Behavioural Control or Perceived Self Efficacy is the personal belief about the possibility to conduct the planned behaviour, the faculty of thoughts, physical mental, passion, finance and resources to personally control and execute the action. the traditionally weak role of the subjective norm in the TPB is an important concern within the area of entrepreneurship. Researchers assert that the perceived behaviour control is positively, associated with entrepreneurial intentions.

Factors influencing Entrepreneurial Intention

Some researchers have proposed new models about entrepreneurial intentions (Davidsson, 1995; Elfving, Brannback, & Carsrud, 2009; Kruger & Brazeal, 1994). These models analyze many different factors affecting individual’s entrepreneurial intentions. Those may be divided into three categories: individual or psychological factors, family background factors and social and environmental factors.

Personality entrepreneurial traits:

1) Self-efficacy. According to Shook, Bratianu, 2010; Guerrero et al., 2008; Liñán et al., 2011, self-efficacy is a power or capacity to produce a desired effect, and is one of the key factors of the entrepreneurial intention. Sánchez (2011) states that self-efficacy is an important determinant of successful entrepreneurial behaviours. De Noble et al. (1999) measures entrepreneurial self-efficacy by the six factors: 1) risk and uncertainty management skills; 2) innovation and product development skills; 3) interpersonal and networking management skills; 4) opportunity recognition; 5) procurement and allocation of critical resources and 6) development and maintenance of an
innovative environment. Other scientists (McGee et al., 2009) define self-efficacy through the five dimensions (searching, planning, marshalling, implementing people, and implementing finance).

2) Risk taking is the tendency of an individual to take risks (Pillis, Reardon, 2007). The individuals who tolerate higher risk are more inclined to entrepreneurship while the ones who tolerate lower risk are less inclined to entrepreneurship.

3) Proactiveness or the propensity to act is associated with entrepreneurial behavioural intentions. Segal et al. (2005) identifies this personality trait with tolerance for risk.

4) Behavioural control- it measures the individuals’ perception of how easily and successfully they could establish and run a business, if they chose to start one (Kautonen et al., 2011).

5) Need for achievement is one of the widely-spread indicators showing whether a person is inclined to entrepreneurship or not.

6) Internal locus of control is associated with entrepreneurial success. The people who show strong self-control usually believe that the quality of life depends on their own actions, for example, education, hard work and so forth.

7) Attitude towards business. The attitude of young people from developed and developing countries towards business was researched in more detail by Iakovleva, et al. (2011). It was evaluated by the following factors: business advantages and disadvantages, the feeling of happiness from the performed activity, business as an interesting and attractive occupation. Linan et al. (2011) describes the attitude towards business as individual associations (positive or negative) about an entrepreneur.

Individual/Psychological Factors

Many researchers have explored the impact of gender on their entrepreneurial intentions. Some researchers have found that males have stronger intentions than females (Matthews & Moser, 1995). Some argue that women's low entrepreneurial intentions are due to their low self-efficacy. They may avoid starting their own business because of a lack of capacity (Fielden et al, 2003). Some stereotypical images, caused by their responsibility to support the family, and may have a negative impact on the entrepreneurial intentions of women.

Researchers also focus on the impact of personality traits on the individual's entrepreneurial intentions. Some researchers considered personality traits to be an important factor. Compared to other people, entrepreneurs show certain personality traits, such as strong achievement orientation, strong individual control, risk-taking willingness, endurance, and intelligence (Shaver, 1995), but other researchers argue that these personality traits cannot be taken as an effective explanation of their choice of start-up (Gartner, 1985).

Some research shows that individual attitudes towards entrepreneurship are apparently related to their entrepreneurial behavior, which is mediated by intentions.
Ajzen & Fishbein, 1977). Ajzen (1991) points out those individual attitudes are important factors that influence their entrepreneurial intentions.

Krueger argues that the individual's entrepreneurial intentions are also affected by their subjective norm, which is influenced by the perceived level of expectations of those who are important to him or her as relatives, parents, friends, colleagues, and so forth by their behavior and individual obedience to those expectations (Krueger, 1993). Many research studies have verified the relationship between the self-efficacy of individual entrepreneurship and their entrepreneurial intentions (Chen, Greene & Crick, 1998). Krueger & Brazeal (1994) suggests that the judgment of individuals on the feasibility of starting a business derives from their judgment on the self-efficacy of executing and preparing their entrepreneurial behaviour. Boyd & Vozikis (1994) states that self-efficacy affects not only the formation of the entrepreneurial intentions of the individual but also the possibility of creating a company in the future.

According to Garzón (2010), in the early stage of starting a business, the entrepreneurial competence of individuals plays a decisive role. McClelland (1961) notes that the entrepreneurial aspirations of adults can be predicted in their childhood through the entrepreneurial competence.

Man (2000) concludes that entrepreneurial competencies are integrated skills that enable entrepreneurs to carry out entrepreneurial activities, including opportunity skills, relationship skills, conceptual skills, organizing skills, strategic competencies and commitment skills. Schmitt-Rodermund (2004) concludes that student entrepreneurial skills refer to leadership, curiosity and entrepreneurial competencies that are influenced by personality traits and family education.

Prior entrepreneurial experience may have an impact on the individual's entrepreneurial intentions (Krueger, 1993). Their prior entrepreneurial experience can not only develop an individual's entrepreneurial intentions, but can also accumulate experience and skills for future entrepreneurial activities. Prior entrepreneurial experience has little impact on the individual's knowledge of entrepreneurship and has no significant impact on their entrepreneurial attitudes (Davidsson, 1995).

Family Background Factors

Some studies discuss the impact of family background factors on the individual's entrepreneurial intentions. Current research explains the impact of families on individual entrepreneurial intentions mainly from a role modeling perspective and believes that parents play an important role in children's entrepreneurial careers. However, some studies do not believe that the behavior of parents would set examples of how to influence children's entrepreneurial intentions (Churchill et al, 1987). Entrepreneurs' children do not become Entrepreneurs in proportion (Krueger & Dickson, 1993).

Social Environment Factors

Stephen, Urbano, & Hemmen (2005) argue that social environment factors such as legal rules, government support is an important factor that influences individual
entrepreneurship. Scholars indicate that the social environment factor is an adjustment variable that affects the individual's entrepreneurial intentions by interacting with individual attitudes (Shapero & Sokol, 1982). It should be noted that, as Luthje & Frank (2003) pointed out, there are factors which support and hinder social environmental factors.

By literature review, this paper constructs a conceptual model which reflects the influence of individual/psychological factors, family background factors and social environment factors on university student’s entrepreneurial intentions.

![Figure 1: Theoretical Model for University Student's Entrepreneurial Intentions and the Influencing Factors](image)

**Results**

The results reflect strong entrepreneurial intentions of university students. We can see that:

1) In individual/psychological factors, the prior entrepreneurial experience of university students has a significant positive impact on their subjective norm and entrepreneurial self-efficacy, while entrepreneurial competence and individual control have a significant positive impact on their subjective norm, entrepreneurial self-efficacy and entrepreneurial attitude. Risk propensity has a significant positive impact on the student's subjective norm. Factors such as gender, innovation orientation and achievement orientation have no significant impact on the student's entrepreneurial attitude, subjective norm and entrepreneurial self-efficacy.
2) Family background factors such as the entrepreneurship of grandparents, parents, relatives and friends have no significant impact on the student's entrepreneurial attitude, subjective norm and entrepreneurial self-efficacy. They only have an indirect connection with the student's previous entrepreneurial experience.

3) In the social environment, policy support, the entrepreneurial environment has a significant positive impact on the entrepreneurial attitude, the subjective norm and the entrepreneurial self-efficacy of university students.

4) The subjective norm of university students also has a significant positive influence on their entrepreneurial attitude and entrepreneurial self-efficacy.

5) The entrepreneurial attitude, the subjective norm and the entrepreneurial self-efficacy of university students have a significant positive impact on their entrepreneurial intentions, while the entrepreneurial resistance has a significant negative impact on their entrepreneurial intentions.

Entrepreneurial Resistance (ER) : It is measured from the aspects of self-confidence, fund, time, family support, commercial skills and entrepreneurial education.

Conclusions and Discussions

The results indicate that:

The subjective norm of university students has a significant positive impact on their entrepreneurial attitude and entrepreneurial self-efficacy, and all of these factors have a significant positive impact on their entrepreneurial intentions.

In individual / psychological factors, the entrepreneurial experience of university students has a significant positive impact on their subjective norm and entrepreneurial self-efficacy.

Entrepreneurial competence and the influence of individual university students have a significantly positive impact on some of the intervening variables, such as the entrepreneurial mentality of the student, subjective standard and entrepreneurial self-efficacy, which have a significant positive impact on the entrepreneurial intentions of the student.

Student’s risk propensity also exerts significant positive impact on their subjective norm. By this intervening variable, their entrepreneurial intentions are affected.

Family background factors have no significant impact on student’s entrepreneurial attitude, subjective norm, entrepreneurial self-efficacy and entrepreneurial intention.

In social environment factors, both supporting policies and entrepreneurial environment of society have significant positive impact on student’s entrepreneurial attitude, subjective norm, and entrepreneurial self-efficacy, which have significant positive impact on student’s entrepreneurial intentions as intervening variables. Some entrepreneurial resistances caused by lack of self-confidence, funds, time, family support, business skills and entrepreneurial education have significantly negative
impact on student’s entrepreneurial intentions.

The results mentioned above are of significance to policy making. In three types of factors including individual/psychological factors, family background factors and social environment factors, except family background factors, individual/psychological factors and social environment factors have significant influence on university student’s entrepreneurial intentions. Family background factors of university students can’t be controlled by policy, but individual/psychological factors and social environment factors can be regulated by education and relevant policy instruments. For instance, we can support university students for creating their own business and promote their entrepreneurial competence, self-controllability and entrepreneurial self-efficacy to make them acquire more successful entrepreneurial experiences by taking a series of measures such as entrepreneurial education and entrepreneurial skill training, developing appropriate risk propensity, making a encouraging and supporting atmosphere, setting up entrepreneurial funds and incubating entrepreneurship of university students. By these education and supporting policies, individual/psychological status of university students and social environment are expected to be changed to promote university student’s entrepreneurial intentions, reaching the goal of promoting employment by entrepreneurship.

**Recommendations**

We derive a few key recommendations for the various stakeholders based on the above findings.

Public and private institutions should further enhance and improve the educational offerings for entrepreneurship. The overall goal should be to make as many students as possible aware of the entrepreneurship. Those students should make a conscious decision about whether or not to become entrepreneurs.

Entrepreneurship education must provide them with the tools, skills and abilities not only to become entrepreneurs but also to become successful entrepreneurs.

Before creating a business many students want to gain professional experience. This can be just as challenging as getting "locked in" in the corporate world. Policymakers and regulatory authorities should therefore make it as easy as possible to become an entrepreneur, such as reducing administrative and legal barriers, facilitating access to financial resources and supporting networking opportunities in general. Otherwise the cost of leaving organizational job will become too high.

Gender is a major issue here. Policymakers should focus even more on enabling women to start entrepreneurial careers, whether through tailor-made offers such as networking events, specific mentoring and counseling, or facilitating family and entrepreneurship combinations.

Parents, and especially entrepreneurial parents, need to know they are important role models. They are not supposed to paint a too rosy or too bad picture of being an entrepreneur (especially when the business is not doing well). A realistic picture is most useful so offspring can decide for themselves whether or not they want to become entrepreneurs.
Most of the students intend to start a business with partners or have already created it. A key to success is finding the right co-founders. Therefore, it is imperative to help with this endeavour, for example by providing universities or other institutions with co-founder matching platforms.

Universities play a crucial and extremely important role in general. Their tasks are varied, such as providing high-quality entrepreneurship courses, events such as start-up evenings or contests on business plans, and creating an entrepreneurial environment. This is to sensitize students for entrepreneurship, to provide them with the necessary tools and skills and also to support them in the longer term in their business activities.

Universities should be aware of this role and should endeavor to meet all the high expectations in this respect.

A truly important question is why a business is actually created, or for what purpose. Students should be aware of their underlying motivational drivers (e.g., social identity of their founder) and think and act accordingly.

As an educator, the university could foster students’ interests towards entrepreneurship by: i) Providing students with ideas to start new businesses ii) Offering bachelors or masters studies on entrepreneurship iii) Arranging workshops and conferences on entrepreneurship iv) Offering project work focused on entrepreneurship v) Creating awareness of entrepreneurship as a possible career choice.

As a promoter of entrepreneurship, the university could play its role by: i) Allowing business ventures run by students to use university services ii) Bringing students in contact with the network needed to start new business ventures iii) Bringing entrepreneurial students in contact with each other iv) Providing students with the financial means to start new business ventures.

Finally, students should be aware that it is not a "must" to become an entrepreneur; but it is a very attractive and viable option worth considering. Additionally, there are many ways to be an entrepreneur; examples are creating a business, taking over one (e.g., one of the parents), or being a corporate entrepreneur within an existing business.

In conclusion, student entrepreneurship is an important and fascinating field that deserves further attention from scholars, practitioners and policy makers to enhance and foster the creation of successful new ventures.

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