

Entrepreneurial Intentions among the Agricultural Graduates in Rural Location

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Abstract

Entrepreneurship has been recognized as one of the necessary conditions for economic development. The student may be compelled to think proactively and develop the intention of starting their business after graduation rather than struggling for employment. The research objective for the present study includes exploration and description. The data collected for the study includes primary and secondary data. This research has an applied questionnaire as the research instrument for collecting the data. The calculated overall reliability coefficient has exceeded 0.8 and appears to be consistently high across the entire variables. Thus it's much clear that the independent variables like impact of commitment to entrepreneurial behaviour, attitude, feasibility, motivation, awareness and knowledge and skills has a positive influence over the dependent variable like entrepreneurial intention. Whereas independent variable risk taking ability & resources does not influences the dependent variable like entrepreneurial intention.

Key Words: Entrepreneurial Intention and Graduate Students

Introduction

Entrepreneurship is widely recognised as an important contributor to economic development because entrepreneurial activities generate new business opportunities, employment, innovation, and economic value. In an increasingly competitive labour market, graduates may face limited employment opportunities and uncertain job security. Consequently, students may need to think proactively about creating their own employment rather than depending entirely on conventional employment after graduation. Developing an entrepreneurial mindset and enterprising skills can therefore strengthen graduate employability and encourage individuals to consider entrepreneurship as a viable career option. Entrepreneurial intention refers broadly to an individual's intention to engage in entrepreneurial behaviour. It has been conceptualised as the intention to start a new business (Krueger & Brazeal, 1994; Zhao et al., 2005), the intention to own a business (Crant, 1996), or the intention to become self-employed (Douglas & Shepherd, 2002; Kolvereid, 1996). In the present context, entrepreneurial intention is understood as an individual's intention to become self-employed. Several studies have examined entrepreneurial intentions through intention-based models and identified various personal, psychological, environmental, and institutional antecedents (Bird, 1988; Boyd & Vozikis, 1994; Chen et al., 1998; Krueger et al., 2000; Shapero & Sokol, 1982). Bird (1988), in particular, connected entrepreneurial intentions with personal history, personality, abilities, thinking style, and environmental conditions, highlighting the importance of both individual and contextual factors in shaping entrepreneurial action.

Statement of Problem

As for this study, the entrepreneurial intentions that produce entrepreneurial behaviour among the under graduate students in Coimbatore district will be the main issues that are to be tested. This study suggests that, it is more comprehensive to test those entrepreneurs with different discipline in order to come up with potential entrepreneurs among under graduate students in Coimbatore district. Considering the fact that new entrepreneurial organizations emerge overtime because of careful thought and action, entrepreneurship is an example of such planned behaviour. In addition, entrepreneurship is a process that does not occur in vacuums but is influenced by a variety of cultural and social factors as well as personal traits and characteristics. Intention- based process models are able to capture the complexity of entrepreneurship and provide a frame

work to build robust, testable process models of entrepreneurship. Therefore, the current study uses an intention - based model to answer the following research question; “What is the level of entrepreneurial intention among the under graduate students in Coimbatore district?”

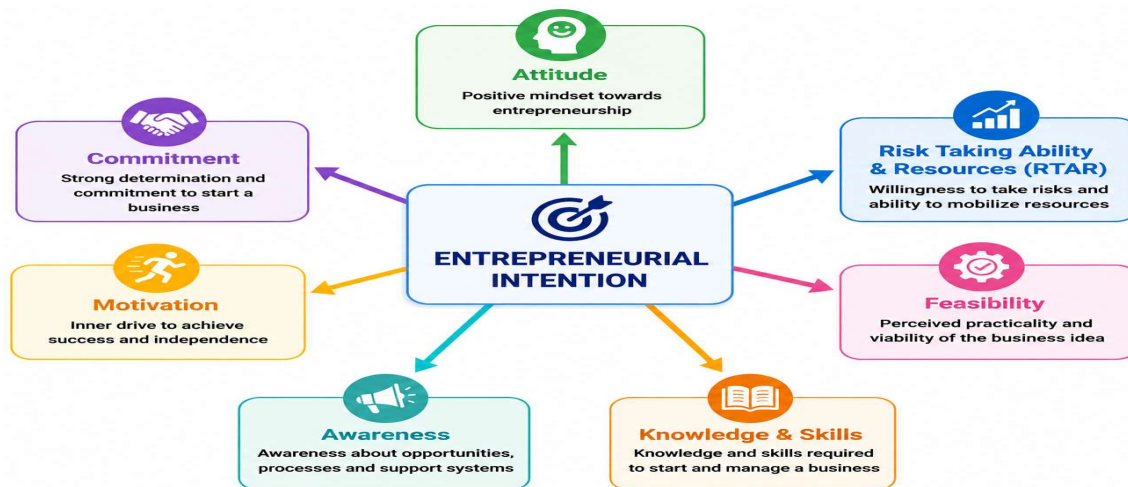
Objective of the Study

The study aims to find out the level of entrepreneurial intentions perceived by undergraduate students in Coimbatore district, measure the impact of entrepreneurial intentions among undergraduate students in Coimbatore district, and provide suitable suggestions based on the findings of the study.

Research Proposed Model

The theoretical framework is a model of logical relationship among the variable of entrepreneurial intention (commitment to entrepreneurial behaviour, attitude, risk taking ability, resources, feasibility, motivation, awareness and knowledge and skills) from the outlook of the under graduates in Coimbatore district has been developed by the researcher, which is depicted in Figure. Based on this model, the research objectives are framed and hypotheses are also formulated.

Figure 1.1. Impact of Entrepreneurial Intention



1.1. Review of Literature

The present study focuses on the impact of entrepreneurial intention of under graduates when entering the labour market after finishing their studies. In doing so, the present study, thereby, relates to literature. It integrates into the emerging body of literature examining the impact of ‘entrepreneurial universities’ on academic entrepreneurship, the study relates to human capital theory by investigating the impact of human capital signals on graduates’ occupational choice. Moreover, the study integrates into labour market economics by investigating the entry into the labour market of a highly qualified workforce. In the following, an overview on related literature is provided.

Mahdi Veyssi et al., (2015) assess, empirically, factors which impact on the entrepreneurial intention and therefore, seek to test the hypothesis that which factors significantly influence on the entrepreneurial intention among fresh graduates in Sahneh, Iran. They draw a sample of 250 fresh graduated students, selected from a target population of 572 students using the Cochran formula using a simple random sampling technique. With the aid of the primary data collected, their findings are quite revealing the preliminary conclusions drawn from this study, are presented and they offered suggestions for further studies. The research tested the suggestion that risk taking propensity may act as a potential mediator.

Environmental factor such as supportive environment may have a moderating influence on the relationship between psychological traits and entrepreneurial orientation and family entrepreneurial background and innovation, influence the intention to start a new business; and there is positive relationship between tolerance of ambiguity and risk taking propensity; and a negative relationship between locus of control and risk taking propensity and also a significant positive relational the significance level of 0.05 between the level of education and age with the creation of entrepreneurial spirit amongst students. Furthermore a significant positive

relation was observed between educational and academic factors, propensity to achievement, risk taking and ambiguity toleration, control source and family with entrepreneurial spirit at the significance level of 0.01. Also the results of multiple regression analysis showed that 79.7 % of entrepreneurial spirit (the dependent variable) variance was explained by such independent variables as educational and academic factors, achievement propensity, being innovative, risk taking and ambiguity toleration, control source and family.

Also the research validates a positive relationship between the family's financial capital and higher education intention of students. The study found no influence of family's financial capital (measured as father's annual income), manpower capital (measured as family size) and human capital (measured as father's occupation) on career intentions of students. The paper emphasizes the importance of taking a more holistic approach when researching the factors that influence entrepreneurial intention.

1.2. Research Methodology

The research objective for the present study includes exploration and description. The data collected for the study includes primary and secondary data. This research has an applied questionnaire as the research instrument for collecting the data. The calculated overall reliability coefficient has exceeded 0.8 and appears to be consistently high across the entire variables.

Table. 1.1. Reliability Score - Entrepreneurial Intention

Name of the Dimension	Cronbach Alpha
Entrepreneurial Intention	.872
Commitment to Entrepreneurial Behaviour (CEB)	.764
Attitude (ATT)	.822
Risk Taking Ability & Resources (RTAR)	.810
Feasibility (FEA)	.824
Motivation (MOT)	.836
Awareness (AWA)	.841
Knowledge and Skills (KS)	.949

The sampling method is systematic random sampling method. All colleges in Coimbatore district in considered for the study. The total number of students taken for the study is 1550. Out of 1550, 13 questionnaires are unfilled. So 1537 is the sample size. On the sample size estimation, the significant size of sample is 1537. Thus 1537 is a good size of sample. The sample size was consolidated based on the Demorgan's table. The collected data were fed into Statistical Package for Social Sciences (SPSS) 20 version and Analysing Momentum of Structures (AMOS) 18 version, popularly used statistical software for social research analysis. The following statistical tools where used for analysis namely: measures of central tendency was used analyse the mean and standard deviation of the variables of entrepreneurial intention and SEM Modeling was used to fit a best model using structural equation modeling to attain the objective of the study.

1.3. Analysis and Interpretation

Table. 1.2. Mean and Standard Deviation of Entrepreneurial Intention

Measuring Variables	Mean	Sd
Commitment to Entrepreneurial Behaviour (CEB)	1.80	0.94
Attitude (ATT)	2.02	0.95
Risk Taking Ability & Resources (RTAR)	2.31	1.46
Feasibility (FEA)	3.28	1.04
Motivation (MOT)	3.45	1.26
Awareness (AWA)	3.78	1.03
Knowledge and Skills (KS)	2.40	1.56
Mean Score	2.72	1.18

The respondents just agree with the awareness, a variable of entrepreneurial intention with a mean value of 3.78 and a standard deviation of 1.03. Similarly the respondents just agree with the motivation, a variable of entrepreneurial intention with a mean value of 3.45 and a standard deviation of 1.26. Similarly the respondents just agree with the feasibility, a variable of entrepreneurial intention with a mean value of 3.28 and a standard deviation of 1.04. Whereas the respondents have moderate feel towards the knowledge and skills, a variable of entrepreneurial intention with a mean value of 2.40 and a standard deviation of 1.56. Similarly the

respondents have moderate feel towards the risk taking ability, resources, a variable of entrepreneurial intention with a mean value of 2.31 and a standard deviation of 1.46. Similarly the respondents have moderate feel towards the attitude, a variable of entrepreneurial intention with a mean value of 2.02 and a standard deviation of 0.95. And finally the respondents disagree with commitment to entrepreneurial behaviour, a variable of entrepreneurial intention with a mean value of 1.80 and a standard deviation of 0.94. *The respondents have moderate feel towards the entrepreneurial intention with a mean value of 2.72 and a standard deviation of 1.18.*

Table. 1.3. Model Fit - Impact of Commitment to Entrepreneurial Behaviour, Attitude, Risk Taking Ability & Resources, Feasibility, Motivation, Awareness and Knowledge and Skills on the Entrepreneurial Intention

Test for model fit	Values
GFI (Goodness of Fit)	0.895
AGFI (Adjusted Goodness of Fit)	0.911

Theft (Goodness of Fit) and AGFI (Adjusted Goodness of Fit Index) should be nearing to one or one indicates that the model is a good fit. In this model it's nearing one so it indicates that the model is a good fit. In this model the GFI value is 0.895 and AGFI value is 0.911. This clearly implies that the model is a good fit.

Figure 1.1. Impact of Commitment to Entrepreneurial Behaviour, Attitude, Risk Taking Ability & Resources, Feasibility, Motivation, Awareness and Knowledge and Skills on the Entrepreneurial Intention

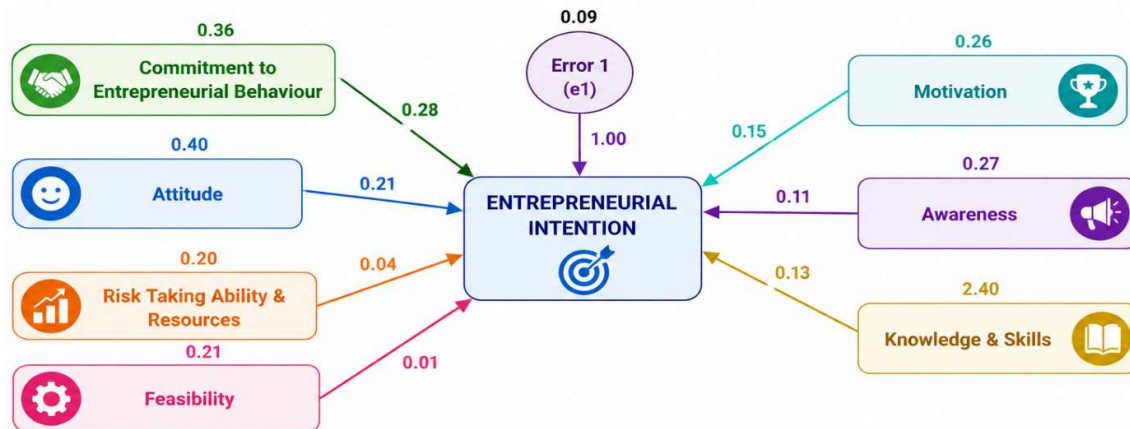


Table. 1.4. Regression Weight - Impact of Commitment to Entrepreneurial Behaviour, Attitude, Risk Taking Ability & Resources, Feasibility, Motivation, Awareness and Knowledge and Skills on the Entrepreneurial Intention

Variable	Inf.	Variable	UE	SE	S.E.	C.R.	P
EI	←	CEB	0.283	0.393	0.013	22.155	***
EI	←	ATT	0.206	0.302	0.012	17.042	***
EI	←	RTAR	0.044	0.045	0.017	2.555	0.011**
EI	←	FEA	0.015	0.015	0.017	0.872	0.383
EI	←	MOT	0.153	0.182	0.015	10.258	***
EI	←	AWA	0.11	0.133	0.015	7.495	***
EI	←	KS	0.13	0.467	0.005	26.319	***
*** Significant at 0.001percentage Level			UE – Unstandardised Estimate		S.E – Standard Error		P – Probability Value
** Significant at 0.05percentage Level			SE – Standardised Estimate		C.R – Critical Ration		Inf. - Influence

Positive Influence - If commitment to entrepreneurial behaviour rises to one degree up in the positive direction, then it can be seen 0.283 increases in the entrepreneurial intention. If attitude rises to one degree up in the positive direction, then it can be seen 0.206 increases in the entrepreneurial intention. If feasibility rises to one degree up in the positive direction, then it can be seen 0.015 increases in the entrepreneurial intention. If motivation rises to one degree up in the positive direction, then it can be seen 0.153 increases in the

entrepreneurial intention. If awareness rises to one degree up in the positive direction, then it can be seen 0.11 increases in the entrepreneurial intention. If knowledge and skills rises to one degree up in the positive direction, then it can be seen 0.13 increases in the entrepreneurial intention.

No Influence - The independent variable risk taking ability & resources does not influence the dependent variable entrepreneurial intention.

Table. 1.5. Squared Multiple Correlation - Impact of Commitment to Entrepreneurial Behaviour, Attitude, Risk Taking Ability & Resources, Feasibility, Motivation, Awareness and Knowledge and Skills on the Entrepreneurial Intention

Variable	Estimate
Entrepreneurial Intention	0.517

The dependent variable entrepreneurial intention shows 51.7 percentage of its variance in when influence by the independent variables like impact of commitment to entrepreneurial behaviour, attitude, risk taking ability & resources, feasibility, motivation, awareness and knowledge and skills.

Thus, it's much clear that the independent variables like impact of commitment to entrepreneurial behaviour, attitude, feasibility, motivation, awareness and knowledge and skills has a positive influence over the dependent variable like entrepreneurial intention. Whereas independent variable risk taking ability & resources does not influence the dependent variable like entrepreneurial intention.

Suggestions

Our point of departure is the evident and relevant role that entrepreneurs play in economic growth and development. Thus, higher start-up rates will contribute to increased economic prosperity. In particular, we consider the role of education in promoting entrepreneurship, based on the idea that the entrepreneurial intention is one of the key elements in explaining firm-creation activity. This paper has tried to contribute to clarifying the still existing debate about the different theoretical variables that determine the decision to start-up. Thus, it have started from an entrepreneurial intention model, built as an integration of Shapero and Sokol's (1982) theory of the "precipitating event" and Ajzen's (1991) theory of "planned behaviour". This model has been tested through a combination of factor analysis and regression. The variables included in the analysis represent different ways to measure each of the antecedents of entrepreneurial intention. Besides, the questionnaire has been built to measure not only intention-model variables, but also others highlighted by different theoretical strands. The factor-regression procedure has offered a final result in which five significant explaining variables were left.

In our opinion, the most important thing to be learned from this empirical analysis is that the start-up decision depends not only on perceived feasibility and desirability, as traditional intention models state, but also on the "entrepreneurial orientation" of the individual. From the point of view of education, it means that entrepreneurial training needs to consider, not only increasing perceived feasibility and desirability, but also the concept of entrepreneurship, the role of the entrepreneur and the development of the venture after start-up.

In particular, with respect to the entrepreneurial intention model, perceived feasibility and personal attitude towards entrepreneurship were significant and with the expected signs. The other two elements of the entrepreneurial intention model (Fig. 1) were dropped from the analysis at different stages. In the case of perceived social norms, Ajzen (1991) found that this is frequently the weakest element and it has been non-significant in a number of different studies which applied the theory of "planned behaviour" to various actions. Regarding knowledge of the entrepreneurial institutional framework (entrepreneurial knowledge), this element has been considered by some authors (Kor et al. 2007; Luthje and Franke 2003). The analysis carried out does not support its inclusion. As a possible explanation, it may be argued that it has no direct effect on intention, but an indirect effect over the antecedents (notably feasibility). Liñán (2008) offers some evidence in this respect. Alternatively, this result may have to do with the limitations of the study (see below). Since it has been tested only on one socially homogeneous sample, it may be the case that their levels of "social norms" and "entrepreneurial knowledge" are too similar to become significant in the analysis.

The negative coefficient of the preference to be an employee was expected. It means that a lower level of this variable tend to be associated with higher entrepreneurial intention. However, it is interesting to note that the correlation of the preference to be employee with personal attitude is negative and significant (-0.40), but not so high as some would expect. Besides, no multicollinearity problems were found. Consequently, in our opinion, these two factors cannot be seen as exact opposites, in line with the opinion of Kolvereid and Isaksen

(2006). Additionally, the entrepreneurial orientation of individuals (their conception of what is like to be an entrepreneur and how to make the venture survive and thrive) also affect the level of intention. In our opinion, this is an indication that the start-up decision is the result of complex mental processes and several elements are involved. Up to know, this has been largely ignored when designing and implementing educational initiatives. Relevant implications have been derived from these results with regard to entrepreneurship education. In the first place, as Carrier (2005) and Honig (2004) suggest, the business plan course which is most often offered as entrepreneurial education is not enough. It may be useful to increase feasibility perceptions, but will not affect desirability. This latter element is also essential if we want to expand the base of potential entrepreneurs in a society (Fillion 1995). That is, entrepreneurship education should not only be considered as an instrumental technique for those who already have decided to be entrepreneurs. It has to become a policy instrument to make more people aware of the entrepreneurial career option.

Similarly, both the concept of success and the strategies and behaviours to achieve it, should also be considered, not only for would-be entrepreneurs to create high- growth ventures, but also for them to increase the start-up intention. At present, only the most ambitious education initiatives consider these contents, and they are addressed to entrepreneurs with high growth potential. It is often thought that more modest programmes for small-scale entrepreneurs should not worry about this. But results of this paper indicate the opposite. Every course should consider contents such as team-building, managing entrepreneur's time or leadership (Garavan and O'Conneide 1994a). In this sense, the available offer of entrepreneurship education at the two universities analysed is clearly insufficient. They concentrate on the business plan elaboration, without developing any other of the skills summarised in Fig. 2. Only at University of Seville, the "profile of Spanish entrepreneurs" course could be said to include some awareness content and some specific local knowledge. As described in the previous section, a number of initiatives are being implemented to improve the design, contents and pedagogies of entrepreneurial education. Nevertheless, there is still a huge gap between a few leading institutions (mainly in North America, but some others worldwide) and the great majority of them providing only a very limited offer.

In this sense, the EIQ could be used as an instrument to measure the effectiveness of educational initiatives. That is, if the course is effective, the values of the relevant variables (attitude, perceived control, social norms and concept of success or entrepreneurial orientation) should be increased for participants in the training programme. A pre-course and post-course measure could serve to evaluate it. What skills or perceptions have and have not been increased? Which students get the most from the course? Which of them do not change their perceptions? The answer to these questions would offer very relevant information on how to improve the training programme. Additionally, if entrepreneurial education is introduced into the primary and/ or secondary schools at a general level, as Finland and some other countries have done, the use of the EIQ in these courses could offer a widespread assessment of youth's perceptions about entrepreneurship. Such a comprehensive survey would offer, not only suggestions to improve the course contents, but also interesting information for policy-makers about the opinions and perceptions of future would-be entrepreneurs.

Nevertheless, this research is not without some limitations. Firstly, it has been carried out on a sample of final-year students from a single town in Spain. Since conclusions derived aim at being generalized, the study should be replicated with different samples of student and non-student populations. Secondly, although the EIQ has already been validated (Liñán and Chen 2009), very few additional surveys have been performed using it. In particular, there is a need to test it cross-nationally, to confirm its validity in different cultural settings. Additionally, the instrument has not yet been specifically used as an evaluation tool for education programmes. Its applicability to this purpose will have to be established. The final year of under graduate students and other selected professional course revealed that;

1. The support for entrepreneurial activities from family and friends are important to enter into such high responsibility career and for which they received their interest to have capacity and confidence building sessions as part of their regular curriculum. According to them it becomes necessity to include entrepreneurial orientations as agenda items in every parents – teachers meeting.
2. In entrepreneurship intentions, the stumble is lack of creativity (Table 5.3). Institutions are recommended to offer a series of creativity kindling sessions through expert participation.
3. From the table 5.10, it is found that the entrepreneurial intentions are not adequately intensified. For enhancing the intentions the institutions that the dilemmas and doubts on entrepreneurial aspects are to be cleared through need based interactive series with the suitable expert advises.

Orientation on entrepreneurial needed to be given from early age of the students, because it is one of the best career option which is directly related to a native economy and development. From the result, it is

found that the students do not perceive that there is any relation exists between the orientations they had received and the intention they have developed. It is the duty of the Educational institutions to ensure their orientation and inputs on entrepreneurship in creating positive impacts on intentions of them to become entrepreneurs. It is also found that risky environment and financial support.

1.4. Conclusion

Based on these results, if the objective of the “promoting entrepreneurship” policy is not only that already-convinced people attempts start-ups, but also increasing the number of individuals considering this option, much more ambitious education initiatives should be implemented. They should include most (if not all) of the contents suggested, such as raising awareness, firm growth and development, creativity and opportunity recognition, or knowledge of the business environment. And they should be implemented not only at the higher education level, but in the secondary and primary schools as well (Frank et al. 2007). Some of the lines of educational reform that may offer better results would be oriented to increasing self-efficacy and personal attitude, as they are the most influential elements to determine the entrepreneurial intention. In this sense, business plan courses may be an adequate tool to increase perceived self-efficacy in higher education. Other less formalized pedagogical instruments are surely needed if primary and secondary students are to be addressed. In this sense, role plays, business games, and skill-development exercises (to enhance creativity, innovativeness, networking, leadership, negotiation, etc.) would be most appropriate. Similarly, awareness seminars, and possibly a change in the educational pedagogies towards valuing independence and autonomy of students could be very important to increase perceived attraction towards entrepreneurship. The conclusions and recommendations offered in this paper are based on the empirical results. Since this analysis suffers from a number of limitations, the authors suggest a number of future developments they intend to follow to help consolidate the conclusions and recommendations derived above. One obvious line of research will be testing the EIQ on different additional samples from various social and cultural origins. Similarly, its use as an evaluation tool will be tested comparing traditional business-plan courses with more innovative and diverse educational programmes

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