# ENTREPRENEURIAL INTENTION: A STUDY AMONG STUDENTS OF HIGHER LEARNING INSTITUTION

BY

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#### **DECLARATION**

We hereby declare that:		

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
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#### LIST OF ABBREVIATIONS

GEM Global Entrepreneurship Monitor

TEA Total Entrepreneurial Activity

MECD Ministry of Entrepreneur and Cooperative Development

PNS Perbadanan Nasional Berhad

SME Small and Medium Enterprises

SMIs Small and Medium Industries

UTAR Universiti Tunku Abdul Rahman

TRA Theory of Reasoned Action

TPB Theory of Planned Behavior

SEE Shapero's Entrepreneurial Event model

FBF Faculty of Business and Finance

SPSS Statistical Package for Social Science

SD Strongly Disagree

D Disagree

N Neutral

A Agree

SA Strongly Agree

ATB Attitude Toward The Behavior

SN Subjective Norm

PBC Perceived Behavioral Control

EE Entrepreneurship Education

PT Personality Traits

VIF Variance Inflation Factor

ANOVA Analysis of Variance

IV Independent Variable

DV Dependent Variable

#### **PREFACE**

Entrepreneurship has becoming an important issue in recent years due to its contribution to national economy development and society at large. Decisions to be entrepreneurs are determined by certain factors and it is a planned behavior instead of engaging it accidentally. Thus, underlying factors that influence students' intention towards entrepreneurial career are vital.

In general, entrepreneurial intention is defined as a state of mind that leading an individual's attention and action toward the endorsement of entrepreneurial behavior, building new business concept and undertaking in entrepreneurial career. It is important for students to know that entrepreneurship is an available career option for them and understand their interest and intention towards entrepreneurial career.

Therefore, this study seeks to investigate the impact of attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits on the entrepreneurial intention of students in higher learning institution.

#### **ABSTRACT**

Students' entrepreneurial intention may be affected by different factors. Entrepreneurial intention is found to determine students' willingness to engage into entrepreneurial behavior in future. The main objective for this study is to understand how attitude toward the behavior, subjective norm and perceived behavioral control, entrepreneurship education and personality traits affect entrepreneurial intention of undergraduates.

The primary data of this study was gathered by distributing 200 survey questionnaires to respondents at Universiti Tunku Abdul Rahman, Perak Campus. The Cronbach's Alpha Reliability test which can ensure high reliability result was conducted on every variable.

Pearson Correlation Coefficient and Multiple Linear Regression Analysis were conducted in this study to observe independent variables (i.e. attitude toward the behavior, entrepreneurship education and personality traits). All the variables have significant relationship with entrepreneurial intention. Independent Sample T-test is used to test on personal details (i.e. gender differences and family background) of respondents in opposition to dependent variable (i.e. entrepreneurial intention).

The discussion of the findings, implications of study, limitations and recommendations for future research are discussed in the end of the study.

# **CHAPTER 1: INTRODUCTION**

# 1.0 Introduction

The objective of this research study is to explore the entrepreneurial intention among students from higher learning institution. This chapter consists of research background, problem statement, research objective, research questions, hypotheses of the study, significance of this study, chapter layout and conclusion.

# 1.1 Research Background

Entrepreneurship has becoming crucial to every country ever since the age of globalization because the growth of entrepreneurial activities will help in creating jobs for the society, reducing the unemployment rate (Abdullah Azhar, Annum Javaid, Mohsin Rehman & Asma Hyder, 2010). Nafukho and Helen Muyia (2010) proved that entrepreneurship is vital in creating and fulfilling a healthy economy. This is supported by Dickson, Solomon and Mark Weaver (2008) where growth of entrepreneurship is significant to a country's economy.

By looking at the report done by Global Entrepreneurship Monitor (GEM) in 2009, the total entrepreneurial activity (TEA) in Malaysia is very low as compared to other countries (Xavier, Ahmad Zaki, Dewi Amat Sapuan, Leilanie Mohd Nor, Mohar Yusof, Ainon Jauhariah, Mohd Hanif, Hanita Sarah Saad & Saad, 2009). The TEA for Malaysia has increased from 4.4% in 2009 to 4.96% in 2010 (Xavier, Noorseha Ayob, Leilanie Mohd Nor & Mohar Yusof, 2010). There is a minor increment in Malaysia's TEA, however, Malaysia still ranked at the third lowest TEA rate. Lacking of TEA rate is not a good sign for Malaysia because it indicates higher

unemployment rate. The World Bank<sup>1</sup> found that unemployment rate of the total labor force of Malaysia increased from 3.2% in 2007 to 3.3% in 2008 and up to 3.7% in 2009 (Unemployment, total (% of total labor force), 2012). Part of the high unemployment rate came from unemployed graduates. During the first quarter of year 2011, there is an increase in number of unemployed graduates from 65,000 to 71,600 in Malaysia (The problem with fresh grads, 2011).

High unemployment rate will lead to a country's incompetency and this is proven by an organization known as IMD. They found that Malaysia's competitive ranking around the world has dropped from 10th place in 2010 to 16th place in 2011 (IMD announces the 2011 World Competitiveness Rankings and the result of the "Government Efficiency Gap", 2011). To solve the high unemployment issues, Malaysian government has come out with Ninth Malaysia Plan 2006-2010 (2006) which played a crucial role in developing and encouraging entrepreneurs. Three organizations have been established in this plan, which are Ministry of Entrepreneur and Cooperative Development (MECD), Perbadanan Nasional Berhad (PNS) and the SME (Small and Medium Enterprises) Bank. MECD is responsible for coordinating and developing Bumiputera entrepreneurs (Ministry of Entrepreneur and Cooperative Development (MECD), n.d.) whereas PNS is an agency under the Ministry of Domestic Trade Cooperatives and Consumerism which develops the franchise industry by increasing the number of franchise entrepreneurs through its expertise in providing quality service and products (PNS Background, 2012). SME Bank supplies SMIs with capital and finance (Bank Negara SME Special Unit, n.d). The efforts of government tend to encourage unemployed graduates to be entrepreneurs, utilizing their knowledge and skills instead of continue being unemployed.

Besides, there are many local universities as well as private institutions in Malaysia offering entrepreneurial courses (Study Bachelor Degree Entrepreneurship in

<sup>1</sup> The World Bank is an organization that provides vital source of financial and technical assistance to developing countries around the world. It is not a normal bank but a unique partnership to reduce poverty and support development

Malaysia, 2012). Many studies indicated the importance of entrepreneurship education in creating successful entrepreneurs (Ooi, Selvarajah & Meyer, 2011; Lee, Chang & Lim, 2005; Tam, 2009; Gelard & Saleh, 2011). Thus, educational system that provides sufficient knowledge and inspiration for entrepreneurship development might increase an individual's entrepreneurial intention to perform the behavior (Abdul Kadir, Salim & Kamarudin, 2011). With tailor-made programs that could fit in and increase the entrepreneurial intention of undergraduates, graduates are more likely to become entrepreneurs. The study of Mohammad Ismail, Shaiful Annuar Khalid, Mohmod Othman, Hj.Kamaruzaman Jusoff, Norshimah Abdul Rahman, Kamsol Mohamed Kassim, Rozihana Shekh Zain (2009) indicated there is a high possibility that youngsters who take up entrepreneurial subjects have strong inspiration to become entrepreneurs.

However, the Malaysian government's plan and the increased entrepreneurial courses did not succeed. The number of entrepreneurs is still lacking in Malaysia and the entrepreneurial intention is as low as 8.7% (Kelly, Singer & Herrington, 2011). Intention is the predictors of performing a specific behavior (Ajzen, 1980). Understanding an individual's intention could help in forecasting whether a behavior will be performed or otherwise. Without intention, individual might not even have the thought to consider entrepreneurship as their career choice and they might end up with unemployed or being employed. More information should be explored on the antecedents of entrepreneurial intention among undergraduates since intention is the precedents of increasing entrepreneurs. Thus, this has prompted the researchers to examine the entrepreneurial intention among students in higher learning institution.

## 1.2 Problem Statement

For the unemployment issues among graduates, serious concern has been raised by policy makers and academicians. In curbing the issue, these graduates can choose to be self-employed. Many fresh graduates do possess the knowledge and skill that are important for starting-up own business, however, only a tiny percentage of students choose to be self-employed immediately after graduating. It may be due to lack of self-confidence or lack of encouragement or reassurance. There may also be others who are potential entrepreneurs but are not properly aware of the career options that are open to them (Advising Entrepreneurial Students, n.d.). As becoming entrepreneur can be one of the options; their intention on becoming self-employed had prompted researchers to investigate particularly on the influence of entrepreneurial characteristics and entrepreneurial intention among undergraduates towards entrepreneurial activities.

Entrepreneurship is not the function that might be outcome of simple efforts. It requires a regular and permanent attitude as part of personality. Khan, Ahmed, Nawaz and Ramzan (2011) revealed that female students seems to have less entrepreneurial spirit, but the result shows that regardless of gender, there are equal inclination towards entrepreneurial attitude. Attitude can be based on personality traits and demographic characteristics; it can also be reshaped by education (Ahmed, Nawaz, Ahmad, Shaukat, Usman, Rehman & Ahmed, 2010). Attitude towards entrepreneurship and self-efficacy have significant factors influencing entrepreneurial intention as well as identifying entrepreneurs' succeed (De Noble, Jung & Ehlrich, 1999). However, there is only a little attention directed in measuring attitude (Sharrif & Basir, 2009) and entrepreneurial efficacy among Malaysian students. This becomes the major challenge for entrepreneurship educators in designing courses and developing students' innate entrepreneurial capabilities and intention.

Psychological characteristics of entrepreneurs have received particular attention all over the world. Entrepreneur psychological has attempted to characterize important variables such as personality, attitudes, demography, and behavior as important measurement in the real entrepreneur practices (McClelland, 1961). Personality traits have direct impact on many entrepreneurial activities including the intention to launch a new business, success in business, and enhance entrepreneurial set up (Shaver & Scott, 1991). Thus, it is important to determine the entrepreneurial characteristics among students and which characteristics might influence them to be entrepreneurs (Taramisi Sama-Ae, 2009).

Realizing the importance of entrepreneurship for social and economic development of Malaysia, entrepreneurship is a topic requiring a lot of attention from academicians and researchers. Inclination towards entrepreneurship is commonly associated with several personal characteristics (values and attitudes, personal goals, creativity, risk-taking propensity and locus of control) that might be expected to be influenced by a formal program of education. Education also serves as a preparatory function in relation to new venture creation, transferring of knowledge and the relevant skills that increase the self-efficacy (Bandura, 1986) and effectiveness of the potential entrepreneur. There is also preliminary evidence that entrepreneurial attributes can be positively influenced by educational programs and that many entrepreneurship programs and courses are able to build awareness of entrepreneurship as a career option and to encourage favorable attitudes toward entrepreneurship (Gorman, Hanlon & King, 1997).

Entrepreneurship education seems to be crucial but currently is not positively entrenched. There is comparatively limited entrepreneurial activity in Malaysia and its explanation is made harder because of the factors such as attitudes and aspirations. It is clear that successful entrepreneurs are accorded a high status, however, the lacking of successful entrepreneurs' impact upon undergraduates' attitude towards entrepreneurship (Xavier et al., 2009).

# 1.3 Research Objectives

Understanding the factors that affect entrepreneurial intention and the level of entrepreneurial intention among today's undergraduates.

## 1.3.1 General Objectives

The first aim of this research is to have a good understanding on antecedents of entrepreneurial intention of undergraduates. Next, is to identify whether attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits will affect entrepreneurial intention of students.

# 1.3.2 Specific Objectives

The specific objectives are:

- 1. To identify the relationship between attitude toward the behavior with entrepreneurial intention.
- 2. To identify the relationship between subjective norm with entrepreneurial intention.
- 3. To identify the relationship between perceived behavioral control with entrepreneurial intention.
- 4. To identify the relationship between entrepreneurship education with entrepreneurial intention.

- 5. To identify the relationship between personality traits with entrepreneurial intention.
- 6. To identify the impact of independent variables with entrepreneurial intention.
- 7. To confirm the consistency of the Theory of Planned Behavior.

# 1.4 Research Questions

The study seeks to answer several questions as shown below to address the researching issues.

- 1. To what extent is the entrepreneurial intention of UTAR students?
- 2. What are the antecedents of entrepreneurial intention among UTAR students?
- 3. Do family background and gender difference affect entrepreneurial intention of UTAR students?
- 4. Does the education system affect the entrepreneurial intention of UTAR students?

# 1.5 Hypotheses of the Study

### **Hypothesis 1**

 $H_0$ : There is no significant relationship between attitude toward the behavior and entrepreneurial intention.

 $H_{1:}$  There is significant relationship between attitude toward the behavior and entrepreneurial intention.

## **Hypothesis 2**

H<sub>0</sub>: There is no significant relationship between subjective norm and entrepreneurial intention.

H<sub>1:</sub> There is significant relationship between subjective norm and entrepreneurial intention.

## **Hypothesis 3**

H<sub>0</sub>: There is no significant relationship between perceived behavioral control and entrepreneurial intention.

H<sub>1:</sub> There is significant relationship between perceived behavioral control and entrepreneurial intention.

## **Hypothesis 4**

H<sub>0</sub>: There is no significant relationship between entrepreneurship education and entrepreneurial intention.

H<sub>1:</sub> There is significant relationship between entrepreneurship education and entrepreneurial intention.

### **Hypothesis 5**

H<sub>0:</sub> There is no significant relationship between personality traits and entrepreneurial intention.

H<sub>1</sub>: There is significant relationship between personality traits and entrepreneurial intention.

#### Hypothesis 6

 $H_0$ : The five independent variables (i.e. attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) are not significantly explained by variance on entrepreneurial intention.

 $H_1$ : The five independent variables (i.e. attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) are significantly explained by variance on entrepreneurial intention.

# 1.6 Significance of the Study

Contribution of young Malaysians to entrepreneurship would stimulate the economic growth of country and it could help Malaysia to become a developed country by year 2020. They are those who can help the nation to move towards more advanced and prosperous economy. Unfortunately, being self-employed is not the main career option amongst them (Rajendran, 2011).

Thus, this study is significant for the undergraduates on their future career path. By identifying their strengths and weaknesses as well as their intention, it provides a better choice for their career development. They are able to identify their personal characteristics, attitudes and self-efficacy that will in turn help in figuring out their intention towards self-employed.

This study is also important for policy implementation on future development of entrepreneurial program for undergraduates. By having a good understanding on factors affecting entrepreneurial intention among students, all the plans that provided by government to them will be fully utilized. This research will provide insights to the state of entrepreneurship education for policy makers in Malaysia to inspire entrepreneurial intention, in turn, increasing new business venturing rate. Practical information will be provided when investigating in depth into the entrepreneurial intention as policy makers can make better and informed decisions in designing the entrepreneurial course structure which helps in increasing the students' participation in business in future (Ooi, 2008).

Lastly, the public will understand their roles in enhancing undergraduates about their intentions and providing social support. Family background can affect an individual's intention to be an entrepreneur (Kolvereid, 1996a). Parents who are running a business could provide prior business knowledge and experience for undergraduates to enhance their self-confident for being self-employed. In short, when there are more

entrepreneurs in the country, people who are jobless may be hired by these entrepreneurs, thus reducing the rate of unemployment. This will beneficial to the public by providing better living quality and standards.

# 1.7 Chapter Layout

This research report consists a total of five chapters.

Chapter one is where the researchers present an overview of the study and explain the research problem. It contains a brief introduction of the research; mainly background of study, problem definition, objectives and significance of study.

Chapter two is where past empirical studies concerning the subject are reviewed. It includes review of the literature, review of relevant theoretical models, proposed theoretical framework, and the development of hypotheses.

Chapter three is where the researchers share the overview of the study's research methodology. In this chapter, it includes research design, data collection methods, sampling design, research instrument, measurement construction, data processing, and data analysis.

Chapter four is where the researchers present the research results. This chapter includes descriptive analysis, scale measurement, and inferential analyses.

Chapter five is where the final discussions and conclusion of the study will be discussed. This chapter includes the summary of statistical analyses, discussions of major findings, implications of the study, limitations of the study, and recommendations for future research.

# 1.8 Conclusion

As a conclusion, chapter one is the introduction and foundation of a brief overview in the research. Therefore, this chapter will provide directions, insight and scope of the study in the following chapters. To have a better understanding about the concept of factors affecting entrepreneurial intentions, a review of literature and a testing of proposed theoretical framework is conducted, in which will be explained in the following chapters of this research.

# **CHAPTER 2: LITERATURE REVIEW**

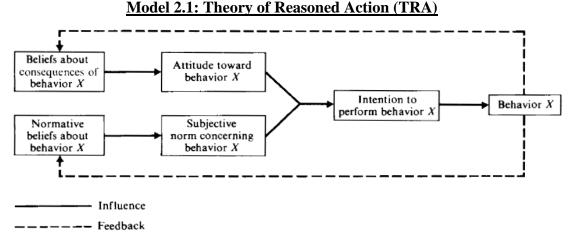
## 2.0 Introduction

This chapter on literature review explains the dependent and independent variables, conceptual framework and hypotheses development.

# 2.1 Theory of Reasoned Action (TRA)

Many behaviors in our daily life may fall under voluntary control as people perform these behaviors easily if they have the desire to perform. This can be further justified by Theory of Reasoned Action (TRA) (Fishbein & Ajzen, 1975; Ajzen & Fishbein, 1980) which was used to forecast the voluntary behaviors and assist others in recognizing their own psychological factors. It is designed based on the assumption that human beings normally behave in a reasonable manner. They will consider the available surrounding information and the consequences of their actions.

Attitude toward the behavior and subjective norm are two elements that act as the function to a person's intention. People normally hold multiple salient beliefs in relation to any given behavior. Each of the salient belief links the behavior to a valued outcome and the outcome has a certain subjective value. It is assumed that these salient beliefs and evaluated outcome combine to produce an overall positive or negative attitude toward the behavior. Salient beliefs mean when the individual perceived that the disadvantages outweight perceived advantages, they will resist to perform the behavior (Fishbein & Ajzen, 1975). The beliefs underlying subjective norm are normative beliefs, which individuals are influenced by persons important to them to perform given behavior.



Source: Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention, and behavior: An introduction to theory and research.* Reading, MA: Addison-Wesley.

The model 2.1 shows that at the first stage, intention is assumed to be used as a determinant of behavior while at the next stage, attitude and subjective norm are included to explain the intention and lastly which is the third level, attitude and subjective norm are explained in term of beliefs regarding the results in performing the behavior and about the normative expectation of relevent referents.

# 2.2 Theory of Planned Behavior (TPB)

Theory of Planned Behavior (TPB) is derived from TRA by Fishbein and Ajzen (1975); Ajzen and Fishbein (1980) to forecast and illuminate human behavior in a specific context, it would allow prediction of behaviors that were not under complete voluntary control. TRA could predict behaviors but the mere information of intention was inadequate to predict behavior. Hence, perceived behavioral control is included (Ajzen & Fishbein, 2000) and it is formed by control beliefs that gives rise to the perceived ease or difficulty in performing the behavior. It indicates that people are expected to transform their intention into action, provided there is an adequate degree

of actual control over the behavior. Thus, intention is assumed to be the direct antecedent of behavior, guiding the behavior in a controlled manner (Ajzen, 1991).

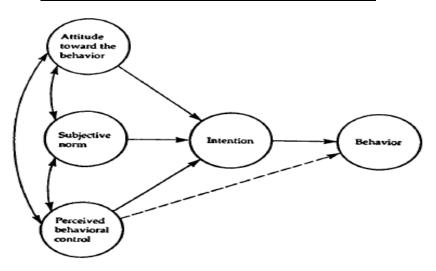
Shapero's Entrepreneurial Event model (SEE) by Shapero and Sokol (1982) as cited in Athanasios Hadjimanolis and Panikkos Poutziouris (2011) considered solid formation due to the interaction among contextual factors, which would influence on the individual's perceptions. In the SEE, entrepreneurial intention derives from perceived desirability (the attractiveness for a person to start-up own business), perceived feasibility (the extent to which individuals feel that they are capable to start own business) and form a propensity to act if there are opportunities (Krueger, Reilly & Carsrud, 2000). It assumed that inertia in human behavior is changed by a negative or positive external event, the "trigger event" that changes an individual's situation or future plans (eg. choice of future employment).

According to Krueger et al. (2000); Krueger (2007), TPB and SEE are overlapping because both consist of an aspect that theoretically associated with perceived self-efficacy; which is perceived behavioral control in TPB and perceived feasibility in SEE while attitude toward the behavior and subjective norm in TPB are aligned with perceived desirability in SEE. Conversely, Scholten, Kemp and Ompta (2004) emphasized that TPB is different from SEE in the sense that it is not based on disturbance or sudden displacements but on long term experience and expectation of being an entrepreneur. In this study, researchers are unable to predict intention based on sudden events, thus TPB is adopted since it may be applied to almost voluntary behaviors (Ajzen, 2001; Kolvereid, 1996a).

Armitage and Conner (2001) used TPB because of its detailed and consistent theoretical specification. Krueger et al. (2000) recommended that TPB presents a significant opportunity towards better understanding and prediction of entrepreneurial actions; the empirical data have shown that TPB is a useful model since the whole model was significant. It enables researchers to get a better understanding and

prediction on entrepreneurial intention by considering not only personal but also social factors. Lin and Lee (2004) pointed that TPB has been used widely to predict and explain behavior intention and actual behavior in many areas, such as social psychology, marketing and information system adoption.

Autio, Keeley, Klofsten, Parker and Hay (2001) showed that the TPB components explain 21% variance in the intention to be an entrepreneur where Liñán and Chen (2009) found 55% of the variance was explained. Past research confirmed the legitimacy of using TPB in explaining entrepreneurial intention across various cultures. It can be concluded that the more favorable the attitude and subjective norm, and the greater the perceived behavioral control, the stronger the person's intention toward entrepreneurship (Scholten et al., 2004). Due to the strong support, TPB is adopted in this study.



**Model 2.2: Model of Theory of Planned Behavior** 

<u>Source</u>: Ajzen, I. (1991). Theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50, 179–211.

## **Confirmation Testing**

Researchers conducted additional test on this model to determine whether it is consistent with Ajzen's result. This is because the model was developed in 19<sup>th</sup> century and researchers conducted the research in 21<sup>st</sup> century. Researchers would like to investigate the significant difference of this model in different time frame.

## 2.3 Review of the Literature

## 2.3.1 Entrepreneur

Entrepreneurship is the process by which individual pursue opportunities regardless to the resources they currently control (Stevenson & Jarrilo as cited in Barringer & Ireland, 2010). Fred Wilson stated that entrepreneurship is the art of turning ideas into a business (Barringer & Ireland, 2010).

Entrepreneurship originated from French word "Entrepreneur". Entrepreneurs are also known as self-employed people. There is no fix definition for entrepreneurs since people from different field of study perceived and defined it differently. An economist defines an entrepreneur as the one who makes the combination of resources to make them valuable. While to a psychologist, entrepreneur is typically driven by certain forces such as needs to obtain or attain something, to experiment and to accomplish targeted goal. To businessmen, an entrepreneur may be a threat, an aggressive competitor but may also be an ally, a source of supply, a customer, or someone who creates wealth for others as well as finds better ways to utilize resources, reduce waste, and provide jobs to others (Hisrich, Peters & Shepherd, 2005).

Some people believed entrepreneurs are born, not made. However, this myth is busted since many studies done in the past have reached a consensus where entrepreneurs can be made and are not genetically inherited (Barringer & Ireland, 2010). Everyone has the potential to become entrepreneur especially for those who have undergone educational process in universities (Gelard & Saleh, 2011; Ooi et al., 2011).

Becoming entrepreneurs, they are their own bosses and they make decision by themselves which offers the prestige of being the person in-charge, provides a greater possibility of achieving a significant financial rewards and achieving personal professional goal (Principles of Entrepreneurship, n.d.).

Being a successful entrepreneur is not easy. Long term, systematic planning and business expertise is needed such as developing business model, putting together a new venture team, raising money, establishing partnerships, managing finances, leading and motivating employees. Individuals should be very careful in determining own self as it helps them to make the right decision in choosing the right path for getting involved to be self-employed (Kr. Baruah, n.d.). Hence, identify entrepreneurial intention for a person before becoming entrepreneur is important, this may give a person a clear goal about what he want to be and what to do in accomplishing his goals and lead to succeed.

# 2.3.2 Entrepreneurial Intention

According to Ajzen (1991:439), intention is the immediate antecedent of behavior. He claimed that behavior is not performed mindlessly but follows reasonably and consistently from the behavior-relevant information and behavior reinforced by rewarding events and weakened by pushing events.

Individuals would like to be self-employed as they perceive that entrepreneurship is a suitable career path for them (Davidsson, 1995) and is a way for them to accomplish their personal goals, pursue own ideas and realize financial rewards (Barringer & Ireland, 2010: 31).

Entrepreneurial intention defined as willingness of individuals to perform entrepreneurial behavior, to engage in entrepreneurial action, to be self-employed, or to establish new business (Dell, 2008; Dhose & Walter, 2010). It usually involves inner guts, ambition and the feeling to stand on one's feet (Zain, Akram & Ghani, 2010). An individual may have potential to be entrepreneur but not make any transition into entrepreneurship unless they have such intentions (Mohammad Ismail et al., 2009).

Birds (1988) proposed that entrepreneurial intention refers to individuals' states of mind that aimed at creating new venture, developing new business concept or creating new value within existing firms. It is an important factor in facilitating towards new venture establishment and has significant impact on the firms' venture success, survival and growth. He suggested that intentional process often begins based on an entrepreneur's personal needs, values, wants, habits and beliefs.

Scholars empirically evidenced that entrepreneurial intention is a valid predictor for entrepreneurial behavior as entrepreneurial actions always fall into the category of intentional behavior. Studying on entrepreneurial intention provides valuable insights for researcher to understand entrepreneurial process and predict entrepreneurial activities in better way through identifying antecedents of entrepreneurial intention (Davidsson, 1995; Bird, 1998; Krueger et al., 2000; Peterman & Kennedy, 2003; Liñán, 2004; Kolvereid & Isaksen, 2006; Krueger, 2007; Dell, 2008; Mohammad Ismail et al., 2009). Findings of Kolvereid and Isaksen (2006) on 297 business founders

by using longitudinal data revealed that intentions to be self-employed did actually determine later entry into self-employment.

Usually, individuals do not start a business as reflex, they do it intentionally rather than engage it accidentally (Krueger et al., 2000; Krueger, 2007). According to Krueger (2007) intention serves as mediating factor between entrepreneurial action and potential exogenous influence (traits, demographics, skills, social, cultural and financial support). They suggested that entrepreneurial intention helps in explaining the reasons on why certain individuals tend to start own business before opportunity scan or deciding type of business to involve in. They stated that entrepreneurs themselves should benefit from a better understanding of their own motives, intention affords them a chance to understand what factors drive them to make their decisions to pursue entrepreneurial career and how the venture becomes reality.

Some scholars proposed that entrepreneurship education should be included in entrepreneurial intention model. This is because entrepreneurship educational and training programs lead to the changes of individuals in their attitude towards entrepreneurship, their self-efficacy level which increase they control beliefs that they are capable in managing entrepreneurial career, and change their perceptions towards entrepreneurship, thus, affect their entrepreneurial intention (Peterman & Kennedy, 2003; Kolvereid & Isaksen, 2006; Dell, 2008; Tam, 2009).

#### 2.3.3 Attitude Toward The Behavior

According to Ajzen and Fishbein (2000:216), an attitude refers to individual's general feeling of favorableness or favorableness toward various stimulus

objects. If they have beliefs about an object, they automatically acquire attitude toward the particular object. Each belief links the object to some features; individuals' attitude toward the object acts as a function of their evaluations toward the features. Whenever individuals learn that the object is linked to a given attribute, their evaluations about the attribute becomes associated with the object. Attitudes are based on the total set of the person's salient beliefs and the evaluations associated with those beliefs. Trevelyan (2009); Sagiri and Appolloni (2009) also indicated that behavior of a person is solely depends upon individual's beliefs and attitudes, and those beliefs and attitudes play a very important role in determining individual's action. Individuals' perceptions on ability to perform specific tasks increase the likelihood of attitude converting into intention and subsequent behavior (Ajzen, 1991).

Ajzen (1991) referred attitude toward the behavior as the extent to which a person has a positive or negative valuation towards the behavior; while Li (2007) defined it as the individual's attractiveness towards being self-employed in the present study. Xavier et al. (2009) referred it as the extent to which people perceived that there are good opportunities for them to start-up a business, or the degree on their attachment towards high status of entrepreneurs. Individuals who get to know their referents have started a business be more likely to see it as legitimate.

Kolvereid and Tkachev (1999); Dohse and Walter (2009); Pa ço, Ferreira, Raposo, Rodrigues and Dinis (2011) found that the attitude toward the behavior has direct and positive effect on entrepreneurial intentions. Hence, education and training should focus on changing personal attitudes than providing technical knowledge about business because the effects could be more significant to the process of business creation and to overcome the perceived barriers to entrepreneurship (Paco et al., 2011; Dohse & Walter

(2009). According to Scholten et al. (2004), the result illustrated a very strong influence of attitude on intention whereby attitude is in fact a deterministic variable for intention; with every variation in attitude is directly leading to a variation in same extent for entrepreneurial intention.

Krueger et al. (2000) tested the attitude-intentions of students, finding a significant influence of the attitude toward the behavior on intention. Leong (2008) conducted the similar research in Open University Malaysia and showed that the more students value the entrepreneurial career path, the stronger their intentions to be entrepreneur. Training and skill development programs are important in fostering personal capabilities and interests among students to have positive attitudes towards entrepreneurship.

While the result obtained from undergraduates by Frazier and Niehm (2006) stressed that positive attitude toward self-employed and the confidence of the ability to create a new venture successfully appear to predict stronger levels of entrepreneurial intention. Elfving, Brännback and Carsrud (2009) revealed that if an individual holds positive attitude toward self-employed, considers entrepreneurship to be aligned with his overall goals in life and sees an opportunity to perform an entrepreneurial action, then most likely, he will form an entrepreneurial intention. According to Tam (2009); Byabashaija and Katono (2011), the result strongly evidenced the students who is exposed to entrepreneurship education, their entrepreneurial attitude and entrepreneurial intention will change accordingly. This is because entrepreneurship education can help to build confidence and promote self-efficacy of students.

Dell (2008) mentioned that desirability to be entrepreneur is the measure of individuals' attitude toward entrepreneurship. He suggested that attitude can be developed and strengthened through information cues from previous experience and role model. External information cues (availability of

resources) and internal (individuals' perception on their capability and task-specific knowledge) can enhance entrepreneurial self-efficacy and in turns, strengthen their attitude toward entrepreneurship.

Past results concurred that attitude toward the behavior is an important variable when investigating entrepreneurial intention.

Based on the literature review, the following hypothesis is formed:

H<sub>0</sub>: There is no significant relationship between attitude toward the behavior and entrepreneurial intention.

H<sub>1</sub>: There is significant relationship between attitude toward the behavior and entrepreneurial intention.

#### 2.3.4 Subjective Norm

Subjective norm also known as social norm refers to the perceived social pressure to perform or not to perform a desired behavior (Ajzen, 1991). Pressure from family, friends and society affect one's behavior to be an entrepreneur.

Subjective norm has been challenged by many researchers, stating the relevancy in predicting entrepreneurial intention. There are some who found that subjective norm is insignificant in predicting entrepreneurial intention (Reitan, 1997; Krueger et al., 2000; Autio et al., 2001; Liñán, 2004; Liñán & Chen, 2009), some who found that subjective norm is significant (Kolvereid, 1996a; Kolvereid & Tkachev, 1999; Kolveried & Isaksen, 2006; Yordanova & Tarrazon, 2010) and some who completely neglect this variable in measuring

entrepreneurial intention (Peterman & Kennedy, 2003; Veciana, Aponte & Urbano, 2005). Table 2.1 showed a summary of past researcher's result.

Table 2.1: Summary of Past Researchers on Subjective Norm

			Relationship of
A41	Title	<b>3</b> 7	Subjective Norm with
Author	Title	Year	Entrepreneurial
			Intention
	Where do we learn that		
Reitan	entrepreneurship is feasible,	1997	Insignificant
	desirable, and/or profitable?		
Kolvereid	Prediction of Employment	1997	Cignificant
Kolvelelu	Status Choice Intentions	1997	Significant
Kolvereid and	Self- employment intentions	1999	Significant
Tkachev	among Russian students	1999	Significant
Krueger, Reilly	Competing Models of	2000	Insignificant
and Carsrud	Entrepreneurial Intentions	2000	morginicant
Autio, Keeley,	Entrepreneurial Intent among		
Klofsten,	Students in Scandinavia and in	2001	Insignificant
Parker and Hay	the USA		
Peterman and	Enterprise Education:		
Kennedy	Influencing Students'	2003	Not included
Kennedy	Perceptions of Entrepreneurship		
Veciana,	University Students' Attitudes		
Aponte and	Towards Entrepreneurship; A	2005	Not Included
Urbano	Two Countries Comparison		
Liñán	Intention-based models of	2004	Insignificant
Lillai	entrepreneurship education.	2004	msignificant
Kolvereid and	New business start-up and	2006	Significant
Isaksen	subsequent entry into self-	2000	Significant

	employment		
	Development and Cross-		Insignificant
Li ñán and	Cultural Application of a	2000	
Chen	Specific Instrument to Measure	2009	
	Entrepreneurial Intentions		
Yordanova and	Gender differences in		
	Entrepreneurial Intentions: 2010		Significant
Tarrazon	Evidence from Bulgaria		

Reitan (1997); Krueger et al. (2000); Autio et al. (2001); Linan and Chen (2009) found no significant relationship between subjective norm and entrepreneurial intention. Liñán (2004) found a significant relationship between subjective norm with attitude toward the behavior. Krueger et al., (2000) found that subjective norm have a significant relationship between attitude toward the behavior and perceived behavioral control. This showed that subjective norm is not a standalone variable and may be used to moderate or even mediate the relationship of other variables on intentions as suggested by Reitan (1997).

However, Kolvereid (1996a) stated that subjective norm has a direct significant relationship with self-employed intention by testing on first-year undergraduate Norwegian business students. Kolvereid replicate his study in 1999 with Tkachev by testing on a sample of Russian university students from different courses and subjective norm found to be positively correlated with self-employed intentions (Kolvereid & Tkachev, 1999). Kolveried and Isaksen (2006) tested subjective norm on a Norwegian business founders and subjective norm was found to be significantly associated with self-employed intention (Kolveried & Isaksen, 2006). Yordanova and Tarrazon (2010) found

that the more supportive subjective norm on entrepreneurial behavior, the stronger the individual's entrepreneurial intention.

There are conflict opinions regarding subjective norm in measuring entrepreneurial intention due to the place of research and the dimension of national culture. Hofstede (2001) stated four dimension of national culture and these are power distance, individualism versus collectivism, masculinity femininity and uncertainty avoidance. Individualism collectivism culture is considered. Subjective norm has a greater influence in a collectivist culture (Japan) than individualistic culture (Britain) (Abrams, Ando & Hinkle, 1998 as cited in Azjen, 2001). Begley and Tan (2001) did a comparison between East Asian and Anglo-Saxon Countries and found that individualist culture will be less likely to be affected by subjective norm compared to collectivist culture. Besides these, locus of control does play a role in how significance it is for subjective norm in predicting entrepreneurial intention. In general, subjective norm tend to contribute more weakly to intention (Armitage & Conner, 2001) for individuals with strong internal locus of control (Ajzen, 2002). Family background will also influence subjective norm in affecting entrepreneurial intention (Kolvereid, 1996a).

It seemed that there are many factors that will influence how subjective norm predict entrepreneurial intention, therefore making no clear cut answer to how accurately and precisely subjective norm predict the intention to be entrepreneur. Liñán (2004) stated that future analysis is needed to solve this discrepancy of subjective norm and entrepreneurial intention. Hence, subjective norm is included in this study.

Based on the literature review, the following hypothesis is formed:

H<sub>0</sub>: There is no significant relationship between subjective norm and entrepreneurial intention.

H<sub>1</sub>: There is significant relationship between subjective norm and entrepreneurial intention.

#### 2.3.5 Perceived Behavioral Control

Perceived behavioral control refers to people's perceived ease or difficulty to perform a given behavior. It is assumed to reflect the past experiences of people and anticipated the obstacles (Ajzen, 1991). According to Ajzen (1991), perceived behavioral control and intention accurately reflect the person's actual control in situation. Perceived behavioral control (Ajzen, 1991) is most compatible with the theory of perceived self-efficacy (Bandura, 1977). Bandura (1982) revealed that perceived self-efficacy concerns with the judgments of how well a person can execute a specific action to deal with certain situations. Liñán, Rodr guez-cohard and Rueda cantuche (2005) suggested intention is a function of perceived self-efficacy, which also means the control over behavior. Thus, 'self-efficacy' and 'perceived behavioral control' are used interchangeably since the concept of perceived behavioral control is closely related to self-efficacy (Chen, Greene & Crick, 1998; Zaidatol Akmaliah Lope Pihie, 2009).

Zaidatol Akmaliah Lope Pihie (2009) found that students who need entrepreneurial exposure have a higher score on perceived behavioral control. This implies that the greater the students expose to entrepreneurial issues, the greater will be their perceived behavioral control. Zaidatol Akmaliah Lope Pihie (2009) further mentioned that those who perceive entrepreneurship need

to be taught in University will have a higher score on perceived behavioral control. Wood and Bandura (1989) also claimed that university teaching should focus on providing experience to develop students' self-efficacy because entrepreneurship education could enhance the knowledge and experience of students, the students' self-efficacy will become higher and eventually will increase their entrepreneurial intention. This is consistent with the findings of Basu and Virick (2008) where prior exposure to entrepreneurship education has a positive effect on perceived behavioral control. In addition, Basu and Virick (2008) further stated that students who have prior experience in entrepreneurship will have more confidence in their ability and this leads to higher entrepreneurial intention.

Other than that, Obschonka, Silbereisen and Schmitt-Rodermund (2010) indicated that individuals with early characteristics and entrepreneurial personality have higher entrepreneurial control beliefs and these beliefs will lead to higher entrepreneurial intention. Those who have entrepreneurial personality patterns such as locus of control appear to be more confident that they could be successful. Obschonka et al. (2010) implied that control beliefs are closely related to the concept of self-efficacy (Bandura, 1997) and locus of control (Rotter, 1990).

Kolvereid (1996b); Chen et al. (1998); Kristiansen and Indarti (2004); Basu and Virick (2008); Zaidatol Akmaliah Lope Pihie (2009); Ruhle, Mühlbauer, Grünhagen and Rothenstein (2010); Paco et al. (2011) suggested that perceived behavioral control has positive influence towards students' entrepreneurial intentions. Among them, Kolvereid (1996b); Basu and Virick (2008); Ruhle et al. (2010) claimed that perceived behavioral control has a significant relationship with the intention. Ruhle et al. (2010) further mentioned that self-assessment of perceived behavioral control has a great impact on students' intentions as there is a supportive range of perceived

feasibility that can enhance the entrepreneurial intentions. Furthermore, Basu and Virick (2008) stated that prior experience of starting a business is significantly related to great level of self-efficacy and positive attitude towards entrepreneurship. People with experience of being successful will have higher self-efficacy and more confident with their ability to repeat that behavior, as compared to those who do not have prior experience. This supports Ajzen's theory where perceived behavioral control relies on past experience with the behavior.

Besides, Elfving et al. (2009); Paco et al. (2011) argued that self-efficacy does not have significant direct effect towards entrepreneurial intention. Elfving et al. (2009) further explained that, when individuals have a high self-efficacy, this will increase their commitment towards entrepreneurship and lead to greater motivation to start a business.

In short, the greater the individual believes that he is capable to be a successful entrepreneur with high probability of succeeding; the stronger is the entrepreneurial intention.

Based on the literature review, the following hypothesis is formed:

H<sub>0</sub>: There is no significant relationship between perceived behavioral control and entrepreneurial intention.

H<sub>1</sub>: There is significant relationship between perceived behavioral control and entrepreneurial intention.

#### 2.3.6 Entrepreneurship Education

Entrepreneurship education refers to the scope of curricular lectures or courses that provides students with entrepreneurial competencies, skills and knowledge in pursuing entrepreneurial career (Clouse, 1990; Ekpoh & Edet, 2011; Ooi, Selvarajah & Meyer, 2011).

Scholars have empirically evidenced that entrepreneurship education is an effective means in inspiring students' intention towards entrepreneurial career, turning into entrepreneurial actions and increasing venturing rate of students (Fayolle & Gailly, 2004; Lee, Chang & Lim, 2005; Matlay, 2008; Izedonmi & Okafor, 2010; Ooi et al., 2011). Matlay (2008) revealed that over ten year's period under scrutiny with 64 graduates in the research sample, all of the graduates who had undergone entrepreneurship education became entrepreneurs.

Entrepreneurship is confronted with uncertainties as entrepreneurs always try new things and set challenging goals for themselves. Inadequate business knowledge will lead to risk-averse behavior and reduce entrepreneurial propensity (Wang & Wong, 2004; Zhou, Tao, Zhong & Wang, 2012). Throughout adequate business knowledge acquired from entrepreneurship education, the interest of students towards entrepreneurial career would increase (Gelard & Saleh, 2010), because it has prepared potential entrepreneurs in dealing complex decision makings (Izquierdo & Buelens, 2008) and minimizes the perceptions of barriers and risk of entrepreneurship (human capital, financial capital, discovering of opportunity, material acquisition and technology adaptation), help them to start enterprise better as they know the entrepreneurial process and have foundation regarding business management knowledge (Clouse, 1990; Ahmed et al., 2010; Zhou et al., 2012).

Past studies have showed the relation of entrepreneurship education between attitude toward entrepreneurship and entrepreneurial intention. Tam (2009) and Dell (2008) proved entrepreneurship education and change in entrepreneurial attitude has significant relationship, participation entrepreneurship education has increased students attitude towards entrepreneurship positively as entrepreneurship education has enriched them with real-worlds skills and knowledge, subsequently make them feel increase in pursuing entrepreneurial path. Thus, entrepreneurial intention. However, students who did not participate in entrepreneurship education, their attitude towards entrepreneurship is negative, hence, reduce their interest towards entrepreneurship. This lead to a distinct level of entrepreneurial intention between entrepreneurship students and nonentrepreneurship students (Hamidi, Wennberg & Berglund, 2008; Miller, Bell, Palmer & Gonzalez, 2009; Zain et al., 2010) and senior class students have higher entrepreneurial inclination than juniors class students because of their practical knowledge and exposure to business world (Souitaris, Zerninati & Al-Laham, 2007; Vazquez, Naghiu, Guitierrez, Lanero & Garcia, 2009; Ahmed et al., 2010).

Moreover, Boyd and Vozikis (1994); Peterman and Kennedy, 2003; Izquierdo and Buelens (2008); Drost Ellen (2010) stated entrepreneurial self-efficacy mediates the relationship between entrepreneurship education and entrepreneurial intention because entrepreneurship course may enhance student self-confidence level about their ability to become entrepreneurs, highly believe themselves are capable of managing their own firms properly and to be succeed, thereby increase they entrepreneurial intention.

Conversely, some findings highlighted entrepreneurship education is a deterrent factor in demonstrating entrepreneurial intentions of university students and their self-assessed entrepreneurial skills (Wang & Wong, 2004;

Oosterbeek, Prag & Ijsselstein, 2008; Oosterbeek, Praag & Ijsselstein, 2010; Göksel & Aydintan, 2011; Graevenitz, Harhoff & Weber, 2010; Hill, 2011). These surprising results particularly due to the fact that students have obtained more realistic perspectives of being entrepreneurs or somehow after taking entrepreneurship course, the perception of students towards entrepreneurship might change, hence, reducing their interest on entrepreneurship (Oosterbeek et al., 2008).

Based on the literature review, the following hypothesis is formed:

H<sub>0</sub>: There is no significant relationship between entrepreneurship education and entrepreneurial intention.

H<sub>1</sub>: There is significant relationship between entrepreneurship education and entrepreneurial intention.

## 2.3.7 Personality Traits

Personality traits have proven to be predictors of many aspects of entrepreneurship. (Shaver & Scott, 1991). Personality traits, known as trait theory, it refers to personal characteristics of entrepreneurs. Personality traits have been divided into few categories:

#### 2.3.7.1 Need for achievement (McClelland, 1961).

According to Sagie and Elizur (1999), McClelland's need for achievement theory highlighted that need for achievement is one of the strongest psychological factors influencing entrepreneurial behavior. Individuals with high need for achievement have a strong desire to be successful and they are

more likely to be an entrepreneur. McClelland (1961) suggested that individuals who possess a strong need for achievement are more likely to solve problems by themselves, set challenge goal, and strive to achieve it by their own efforts. Individuals with high need for achievement will contribute more in entrepreneurial activity (Tong, Tong & Loy, 2011). They are able to perform better in challenging tasks and discover innovative ways to enhance their performance (Littunen, 2000). From the result of Tong et al. (2011), need for achievement is the strongest predictor of entrepreneurial intention.

#### 2.3.7.2 Locus of control (Rotter, 1990).

Locus of control (Rotter, 1990) is a psychological characteristic that is related to the ability of individuals to control the events in life. Individuals who are internal locus of control believe that they are able to control life's events while individuals who are external locus of control believe that life's events are the result of external factors, such as chance, luck or fate (Hay, Kash & Carpenter, 1990; Millet, 2005). Those individuals with a higher internal locus of control are deemed to be self-employed (Bönte & Jarosch, 2011) and have high motivation to improve the efficiency of work (Göksel & Aydintan, 2011). They have the ability to control the environment through their action and they are willing to take risks (Mueller & Thomas, 2000). Gürol and Atsan (2006); Khan et al. (2011) found that with internal locus of control, the students will perform good attitude against entrepreneurial intention and high possibility to become an entrepreneur. Hence, it can be concluded that the higher the internal locus of control of undergraduates, the higher the entrepreneurial intention.

#### **2.3.7.3** Risk-taking (Nishantha, 2009).

Risk-taking propensity refers to individual's orientation of making decision in uncertain contexts (Nishantha, 2009). According to Cantillion (1775), the main factor in differentiating the entrepreneurs from employed workers was the uncertainty and risk taken by the former. It is believed that entrepreneurs prefer to take moderate risks. Carland III, Carland Jr, Carland and Pearce (1995) stressed that entrepreneurs with high education possess higher risk propensity and tolerance for uncertainty than non-entrepreneurs. Simon, Houghton and Gurney (1999) suggest that entrepreneurs tend to choose highrisk opportunities to exploit due to cognitive biases, whereby they cannot recognize the risks engaged in a given entrepreneurial activity. Dohse and Walter (2010); Lüthje and Franke (2004); Taramisi Sama-Ae (2009); Zali, Ebrahim, and Schøtt (n.d.) proposed that risk-taking propensity is significantly and positively affect entrepreneurial intention. However, in the study of Altinay, Madanoglu, Daniele and Lashley (2012) found that risk taking propensity is not significant toward entrepreneurial intention is due to effect of family background.

As a conclusion, person with high level need for achievement, greater internal locus of control and high willingness to take risk will lead to more intention to become entrepreneur. Therefore, personality trait is an important determinant to entrepreneurship intention (Costa & McCrae, 1984; Singh & DeNoble, 2003; Zain et al., 2010).

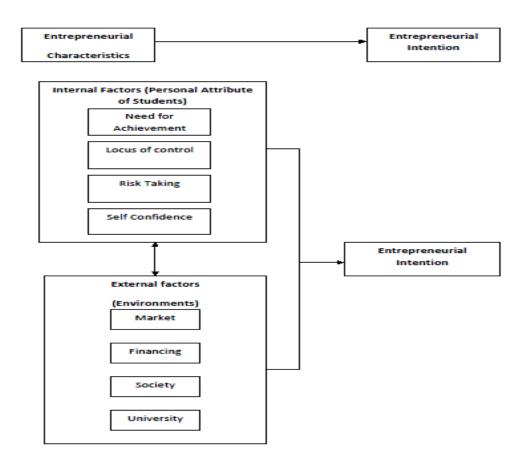
Based on the literature review, the following hypothesis is formed:

H<sub>0</sub>: There is no significant relationship between personality traits and entrepreneurial intention.

H<sub>1</sub>: There is significant relationship between personality traits and entrepreneurial intention.

# 2.4 Review of Relevant Theoretical Models

Model 2.3: Model from Taramisi Sama-Ae (2009)

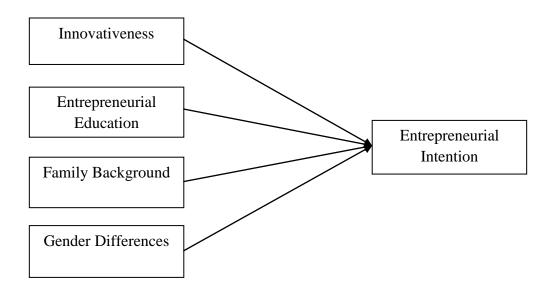


Source: Taramisi Sama-Ae. (2009). An Examination On The Entrepreneurial Intention Among Thai Students At Universiti Utara Malaysia (UUM). Unpublished Thesis, University Utara Malaysia.

According to Taramisi Sama-Ae (2009), characteristic of individuals and nature that owed by them together with demographic profile have been proven to have close relationship towards entrepreneurial intention.

Entrepreneurial characteristics are main attributes of entrepreneurs. As presented by (Taramisi Sama-Ae, 2009), internal factors (need for achievement, locus of control, risk taking and self-confidence) and external factors (market, financing, society and university) are major determinants for students' entrepreneurial intention. In this study, the result showed that there is high level of internal factors toward entrepreneurial intention. Need for achievement, locus of control and risk taking are adopted and categorized as personality traits (Nishantha, 2009; Altinay et al., 2012). The result also proved by Tong et al. (2011) and Zain et al. (2010) that it has positive and significant relationship towards entrepreneurial intention. However, self-confidence is excluded as Entrepreneurial - Profile of an Entrepreneur (2003) defined it as individuals' ability to control what they are doing whereby it is similar to perceived behavioral control in TPB (Ajzen, 1991).

According to Taramisi Sama-Ae (2009), internal factors are main attributes and cues that drive students' entrepreneurial intention, thus, researchers do not include external factors in this study as this study is conducted among students.



Model 2.4: Model from Ahmed et al. (2010)

<u>Source</u>: Ahmed, I., Nawaz, M. M., Ahmad, Z., Shaukat, M. Z., Usman, A., Rehman, W. U., & Ahmed, N. (2010). Determinants of Students' Entrepreneurial Career Intentions: Evidence from Business Graduates. *European Journal of Social Sciences*, 15(2), 14-22.

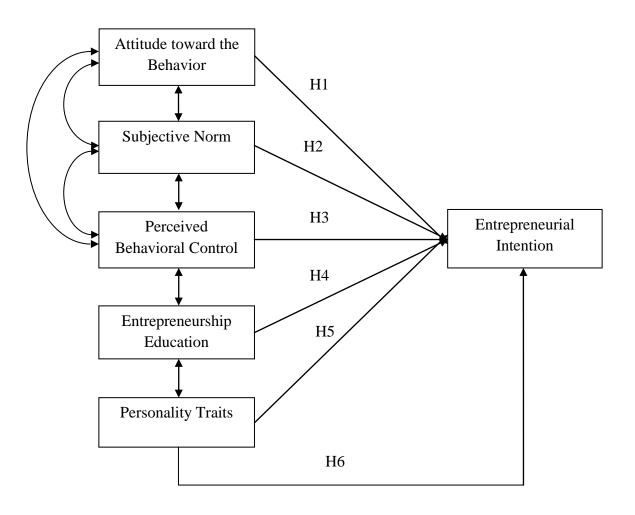
According to Ahmed et al. (2010), entrepreneurship is a function of various factors like personality traits (innovativeness), entrepreneurship education, family background and gender.

Family background and gender differences have been presented in demographic profile of respondents therefore they are excluded from this study. Innovativeness is the single entrepreneurial trait in determining entrepreneurial intention which unable to represent the whole concept of personality traits, and researchers has broadened it by including other entrepreneurial traits. The researchers wish to conduct how the level of entrepreneurship education will affect entrepreneurial intention in university students. Thus, it is included in this study as the result proved that entrepreneurship

education has positive significant relationship on students' entrepreneurial intention which is consistent with Hamidi et al. (2008) and Ahmed et al. (2010).

# 2.5 Proposed Theoretical Framework

**Model 2.5: Proposed Theoretical Model** 



The framework model proposed that all the independent variables are tested to determine whether they have significant relationship to dependent variable.

Attitude toward the behavior, subjective norm and perceived behavioral control from Theory of Planned Behavior (Ajzen, 1991), entrepreneurship education (Hamidi et al., 2008; Ahmed et al., 2010) and personality traits (Costa & McCrae, 1984; Singh & DeNoble, 2003; Zain et al., 2010) are tested against entrepreneurial intention. Armitage and Conner (2001); Autio et al. (2001); Krueger et al. (2000); Lin and Lee (2004); Liñán and Chen (2009) concluded that TPB is the best predictor of entrepreneurial intention regardless of cultural context. Therefore, researchers adopt TPB model as variables for the study which it is relevant.

Littunen (2000) as mentioned in the study of Taramisi Sama-Ae (2009) showed that personality characteristics is important factors to push persons enter entrepreneurial success in the doing business. Due to the strong support from past research, researchers adopt the variables and investigate on the study.

Entrepreneurship education is adopted as one variable because it is being proved that it have positive impact toward students' entrepreneurial intention from past researcher (Peterman & Kennedy, 2003; Souitaris et al., 2007; Matlay, 2008; Ahmed et al., 2010; Izedonmi & Okafor, 2010; Ekpoh & Edet, 2011; Ooi et al., 2011) which influence students' attitude and perception towards entrepreneurship.

Based on the literature review, the following hypothesis is formed:

H<sub>0</sub>: There is no significant relationship between independent variables (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education, personality traits) and entrepreneurial intention.

H<sub>1</sub>: There is a significant relationship between independent variables (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education, personality traits) and entrepreneurial intention.

# 2.6 Conclusion

The chapter has provided a clear and logical presentation of the relevant research work conducted. Some significant findings from past studies have been discussed. A theoretical foundation for this research has been constructed; research issues and important variables have been identified and defined. Finally, the hypotheses of this study are developed. In Chapter 3, this research methodology will be discussed in detail.

# **CHAPTER 3: RESEARCH METHODOLOGY**

## 3.0 Introduction

This chapter describes the research design, data collection methods, sampling design, research instruments, constructs measurement, data processing and data analysis.

# 3.1 Research Design

The research design is exploratory research. Researchers focus on investigating and examining factors affecting students' entrepreneurial intention, the level of their entrepreneurial intention and discovering students' awareness towards entrepreneurial career. Researchers gathered data systematically to gain more in-depth understanding about entrepreneurial intention.

Quantitative research method is adopted which quantified and generalized results from the sample to population. Researchers use questionnaires to obtain responses from respondents to examine the factors that influence students' entrepreneurial intention and data collected is presented in graphs, tables and statistical form in the following chapter.

## 3.2 Data Collection Methods

## 3.2.1 Primary Data

Researchers acquired primary data through distributing questionnaire to target respondents because it is a main means to collect primary data and enable researchers to reach large number of respondents at lowest cost with high flexibility.

## 3.2.2 Secondary Data

Researchers assessed and analyzed all other sources of secondary data as evidence to support the findings of this study. All the necessary secondary data that had been reviewed are presented in Chapter 2.

Researchers collected relevant online journal articles through online databases provided by Universiti Tunku Abdul Rahman's Main Library (ie. EBSCOhost, SCIENCEDIRECT and PROQUEST) together with newspapers and published statistics.

# 3.3 Sampling Design

#### 3.3.1 Target Population

The target population is the Final Year undergraduates from Faculty of Business and Finance (FBF). They are selected because they have a strong foundation regarding business-related knowledge and they are currently in the critical stage to decide their future career path (Ahmed et al., 2010; Zain et al., 2010).

#### 3.3.2 Sampling Frame and Sampling Location

Sampling frame is not applicable in this study because researchers use non-probability sampling technique in selecting samples. The researchers randomly select among the students in campus by asking them whether they are final year students from FBF. The questionnaires are strictly distributed only to final year students from FBF.

Kampar is selected as targeted location because this area has higher learning institutions. The institution selected is University Tunku Abdul Rahman, Perak Campus because majority of business courses are offered in this campus (UTAR Course List, n.d.) which allow researchers to get suitable target respondents easily.

#### 3.3.3 Sampling Elements

Candidates must meet two conditions before qualified as valid respondents. They must be final year students regardless of which semester and must be pursuing business courses in UTAR, Perak Campus. Proper selection of respondent is essential for the study to achieve the research objectives.

## 3.3.4 Sampling Technique

Convenience sampling is commonly used in exploratory research. It enables researches to obtain 200 completed questionnaires quickly and economically whereby respondents are randomly selected for the ease of researcher. (Zikmund et al., 2010; Sekaran & Bougie, 2010).

## 3.3.5 Sampling Size

According to Faculty of Business and Finance (Perak Campus) (2012), there are approximately 5000 students. Hair, Black, Babin and Anderson (2010) stated that sample sizes between 100 and 200 would be appropriate and sufficient. Thus, researchers have distributed 200 sets of questionnaires to represent the whole population.

## 3.4 Research Instruments

#### 3.4.1 Questionnaire Survey

Self-administered survey questionnaire is used as research instrument. This is an efficient data collection mechanism to ensure relevancy and consistency of information gathered as the responses are objective, standardized and comparable (Zikmund et al., 2010; Sekaran & Bougie, 2010). 200 sets of questionnaires were distributed to the respondents and each questionnaire is collected back within 10 to 15 minutes. Researchers took 5 days to collect back all the questionnaires.

#### 3.4.2 Questionnaire Design

The questionnaire is designed and presented by researchers in simple and unbiased wordings whereby respondents can easily understand the questions and provide answer based on their own perception (Zikmund et al., 2010).

The questionnaire divided into two sections namely Section A and Section B. Section A consists of respondents' demographic profile; Section B consists of five independent variables (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) and dependent variable (entrepreneurial intention). There are 5 to 6 questions for each variable.

#### 3.4.3 Pilot Test

A pilot test was conducted on 30 samples to refine reliability and validity of the questions and identify deficiencies in the design of questions prior actual survey. Respondents suggested there is lack of choices regarding types of family business, therefore researchers make modification by including additional items.

SPSS version 19 was used to conduct reliability test. Reliability is determined through the interpretation of Cronbach's alpha, a reliability coefficient that indicates how well the items in a set are positively correlated to each other (Sekaran & Bougie, 2010).

The result of pilot test is shown below:

**Table 3.1: Summary of Reliability Statistics** 

No	Constructs	Cronbach's	Number of	Number of
		alpha	Items	respondents
1	Attitude Toward The	0.791	5	30
	Behavior (IDV1)			
2	Subjective Norm (IDV2)	0.713	5	30
3	Perceived Behavioral Control (IDV3)	0.761	6	30
4	Entrepreneurship Education (IDV4)	0.752	5	30
5	Personality Traits (IDV4)	0.766	6	30
6	Entrepreneurial Intention (DV)	0.939	5	30

All independent variables are in good reliability since Cronbach's Alpha exceeds 0.70. The dependent variable, entrepreneurial intention is yielding excellent reliability result with Cronbach's Alpha of 0.939. In conclusion, all variables fall under good reliability score ranges. The rule of thumb indicated that Cronbach's Alpha of coefficient 0.7 to < 0.8 is good and 0. 8 to < 0.9 is very good.

After obtaining satisfactory results of reliability test, researchers distributed 200 sets of questionnaires.

# 3.5 Construct Measurement (Scale and Operational Definitions)

# 3.5.1 Origins of Construct

**Table 3.2: The Origins of Constructs in the Research** 

Construct	Adopted From
Attitude Toward The	Nishantha (2009); Sagiri and Appolloni (2009); Paço et
Behavior	al. (2011); Li ñán and Chen (2009)
Subjective Norm	Leroy, Maes, Sels and Debrulle (2009); Leong (2008);
	Gurbuz and Aykol (2008)
Perceived Behavioral	Paço et al. (2011); Liñán and Chen (2009); Dohse and
Control	Walter (2010)
Entrepreneurship	Lee et al. (2005); Ooi et al. (2011); Selvarajah and Meyer
Education	(2011)

Personality Traits	Leong (2008); Lu "thje and Franke (2003); Gurbuz and
	Aykol (2008)
Entrepreneurial Intention	Leong (2008); Li ñán and Chen (2009)

# **3.5.1.1** Modified Operational Definition of Construct

<u>Table 3.3: Modified Operational Definition of Construct for Attitude Toward</u>

<u>The Behavior</u>

No.	Item	Author	Modification	Remarks
Q1	I'd rather be my	Nishantha	-	Adopted
	own boss than	(2009)		
	have a secure job.			
Q2	A career as	Pa ço et al.	-	Adopted
	entrepreneur is	(2011);		
	attractive for me.	Li ñán and		
		Chen (2009)		
Q3	If I had the	Pa ço et al.	-	Adopted
	opportunity and	(2011);		
	resources, I'd like	Li ñán and		
	to start a firm.	Chen (2009)		
Q4	Being an	Pa ço et al.	-	Adopted
	entrepreneur	(2011);		
	would entail	Li ñán and		
	greater	Chen (2009)		
	satisfactions for			
	me.			
Q5	I believe that if I	Sagiri and	I believe that if I	Modified to make it

will start my	Appolloni	were to start my	simple and
business, I will	(2009)	business, I will	understandable for
certainly succeed.		certainly be	target respondents.
		successful.	

**Table 3.4: Modified Operational Definition of Construct for Subjective Norm** 

No	Item	Author	Modification	Remarks
Q6	My parents are	Leroy et al.	My parents are	Modified in
	positively	(2009)	positively	order to make
	oriented towards		oriented	the items to
	a career as		towards my	closely link with
	entrepreneur.		future career as	respondents.
			an	
			entrepreneur.	
Q7	My friends see	Leroy et al	My friends see	Modified in
	entrepreneurship	(2009)	entrepreneursh	order to make
	as a logical		ip as a logical	the items to
	choice.		choice for me.	closely link with
				respondents.
Q8	I believe that	Leong	-	Adopted
	people, who are	(2008)		
	important to me,			
	think that I should			
	pursue a career as			
	an entrepreneur.			
<b>Q</b> 9	In my University,	Gurbuz and	In my	Modified to
	people are	Aykol	University,	replace "people"
	actively	(2008)	students are	with "student"

	encouraged to		actively	since the target
	pursue their own		encouraged to	respondents are
	ideas.		pursue their	students.
			own ideas.	
Q10	There is a well-	Gurbuz and	There is a	Modified to the
	functioning	Aykol	well-	terms of target
	support	(2008)	functioning	location by
	infrastructure a		support	replacing "a
	place to support		infrastructure	place" with "my
	the start-up of		in my	university" since
	new firms.		University to	the target
			support the	location is
			start-up of new	university
			firms.	

<u>Table 3.5: Modified Operational Definition of Construct for Perceived</u>
<u>Behavioral Control</u>

No.	Item	Author	Modification	Remarks
Q11	To start a firm and	Gurbuz and	To start a firm	Modified to
	keep it work	Aykol	would be easy	avoid confusion
	would be easy for	(2008)	for me.	among target
	me			respondents
				because it is a
				double barreled
				question.
Q12	To keep a firm	Gurbuz and	To keep a firm	Modified to
	and keep it	Aykol	working well	avoid confusion

	working well is	(2008)	would be easy	among target
	easy for me.		for me.	respondents
				because it is a
				double barreled
				question.
Q13	I know how to	Pa ço et al.	-	Adopted
	develop an	(2011);		
	entrepreneurial	Li ñán and		
	project.	Chen (2009)		
Q14	If I tried to start a	Pa ço et al	-	Adopted
	firm, I would have	(2011);		
	a high probability	Li ñán and		
	of succeeding.	Chen (2009)		
Q15	If I wanted I could	Dohse and	If I want, I	Modified to
	certainly become	Walter	could become	make it simple
	self-employed	(2011)	self-employed	for target
	after my studies.		after my	respondents.
			studies.	
Q16	To start my own	Gurbuz and	-	Adopted
	firm would	Aykol		
	probably be the	(2008)		
	best way for me to			
	take advantage of			
	my education.			

<u>Table 3.6: Modified Operational Definition of Construct for Entrepreneurship</u>
<u>Education</u>

No.	Item	Author	Modification	Remarks
Q17	If a major in	Lee et al.	Entrepreneurial	Modified to make it
	entrepreneurship	(2005)	subject is very	simple for target
	were available, I		important.	respondents to
	will change my			understand.
	major to it.			
Q18	Entrepreneurship	Gurbuz and	Entrepreneursh	Modified by
	should be taught	Aykol	ip should be	replacing "high
	in high school.	(2008)	taught in	school" with
			University.	"university"
				since the target
				location is
				university.
Q19	Entrepreneurship	Ooi et al.	-	Adopted
	course should be	(2011)		
	made compulsory			
	in order to			
	stimulate			
	entrepreneurial			
	spirit in campus.			
Q20	More	Ooi et al.	-	Adopted
	entrepreneurial	(2011)		
	and business			
	educational			
	programmes on			
	campus would			
	help students to			
	start businesses.			

Q21	My University	Ooi et al.	-	Adopted
	course prepares	(2011)		
	people well for			
	entrepreneurial			
	careers.			

**Table 3.7: Modified Operational Definition of Construct for Personality Traits** 

No.	Item	Author	Modification	Remarks
Q22	I like to try new	Leong	-	Adopted
	things. (e.g. exotic	(2008); Lu "		
	food or going to	thje and		
	new places)	Franke		
		(2003)		
Q23	When I travel I	Gurbuz and	I tend to use	Modified and
	tend to use new	Aykol	new routes	rephrased to
	routes	(2008); Lu "	when I travel.	make it
		thje and		consistent with
		Franke		other questions.
		(2003)		
Q24	I will create my	Leong	I will start my	Modified to
	own business once	(2008)	own business	make the
	an opportunity is		if I detect an	sentence become
	detected.		opportunity.	active sentence
				to reduce the
				complexity of
				the sentence.
Q25	I am confident of	Leong	-	Adopted
	my skills and	(2008)		

	abilities to start a			
	business.			
Q26	I have leadership	Leong	-	Adopted
	skills that are	(2008)		
	needed to be an			
	entrepreneur.			
Q27	I have mental	Leong	-	Adopted
	maturity to be an	(2008)		
	entrepreneur.			

Table 3.8: Modified Operational Definition of Construct for Entrepreneurial

<u>Intention</u>

No.	Item	Author	Modification	Remarks
Q28	I prefer to be an	Leong	I prefer to be	Modified and
	entrepreneur	(2008)	an	chosen only
	rather than to be		entrepreneur	"company" from
	an employee in a		rather than to	original item as
	company/ an		be an	both of the
	organization.		employee in a	terms carries the
			company.	same meaning.
Q29	My professional	Li ñán and	My	Modified minor
	goal is becoming	Chen (2009)	professional	sentence
	an entrepreneur.		goal is to	structure.
			become an	
			entrepreneur.	
Q30	I'm determined to	Li ñán and	-	Adopted
	create a firm in	Chen (2009)		
	the future.			

Q31	I will make every	Li ñán and	I will make every	Modified and used
	effort to start and	Chen (2009)	effort to manage	"manage" to replace
	run my own firm.		my own firm.	the term "start and
				run" to avoid
				confusion to the
				target respondents.
Q32	I have a very	Li ñán and	I have a very	Modified minor
	seriously thought	Chen (2009)	serious thought in	sentence structure.
	in starting my		starting my own	
	own firm.		firm.	
	D 1 10	I		

### 3.5.2 Scale of Measurement

There are four levels of scale measurement such as nominal, ordinal, interval and ratio scale (Zikmund et al., 2010). Only 3 types of scale measurement are used.

#### 3.5.2.1 Nominal Scale

According to Zikmund et al. (2010), a nominal scale assigns a value to an item for classification purpose, no quantities are being represented. Researchers used this scale in Section A for question 1, 3, 4 and 5.

For	exampl	le:
-----	--------	-----

l.	Gender:	
	⊓ Male	□ Female

4.	Does your	family own a business?
	□ Yes	□ No (Please proceed to Section B)

#### 3.5.2.2 Ordinal Scale

According to Zikmund et al. (2010), an ordinal scale is a ranking scale; it allows items to be arranged based on how much concept they possess. Section A, question 2 uses this scale.

For example:

2. Age Group:

- □ Below 20 years old □ 21 − 23 years old □ 24 − 26 years old □ 27 − 29 years old
- $\ \square$  30 years old and above

#### 3.5.2.3 Interval Scale

According to Zikmund et al. (2010), interval scale combines the characteristics of nominal and ordinal, but it captures relative quantities in the form of distances between observations. 5-Likert Scale is adopted to allow respondents to express how much they agree or disagree with a particular statement. It range from "strongly disagree =1" to "strongly agree = 5" (Saul, 2008). The whole Section B of questionnaire uses this scale of measurement.

For example:

Factors	SD	D	N	A	SA
Attitude Toward The Behavior					
1. I'd rather be my own boss than have a secure job.	1	2	3	4	5

# 3.6 Data Processing

Data checking is carried out to look for any omission, error or missing data to ensure all questionnaires are fully completed (Sekaran & Bougie, 2010). According to Sekaran and Bougie (2010), data editing is by reviewing the questionnaire to identify incomplete, inconsistent or illogical response of the answers to reinforce the accuracy and precision of the data. Data coding are numbers assigned for representing specific responses with specific questions to facilitate the data entering process and proceed further with the results (Sekaran & Bougie, 2010). For example, by referring to first question in Section A, "Male" is coded as 1 and "Female" coded as 2. Codes data is transcribed into SPSS version 19 for data analysis.

# 3.7 Data Analysis

Data analysis is an application of reasoning to understand, clear and interpret the data or information that have been collected through the questionnaires (Zikmund et al., 2010).

# 3.7.1 Descriptive Analysis

Descriptive analysis refers to the transformation of raw data into a form that make them easier to understand and interpret (Zikmund et al., 2010). It is used

to calculate average, frequency distribution and percentage distribution of the demographic information provided by respondents in part A.

### 3.7.2 Scale Measurement (Reliability Test)

Researchers used SPSS version 19 to conduct reliability test. Reliability is determined through the interpretation of Cronbach's alpha, which is a reliability coefficient that indicates how well the items in a set are positively correlated to one another (Sekaran & Bougie, 2010). The reliability of each measure was assessed by coefficient alpha using the SPSS as indicate in Table 3.9.

Table 3.9: Rule of Thumb for Cronbach's Alpha Coefficient Value

Alpha Coefficient Range	Strength of Association
<0.60	Poor
0.60 to <0.70	Moderate
0.70 to <0.80	Good
0.80 to <0.90	Very Good
0.90	Excellent

<u>Adapted from</u>: Zikmund, W. G., Babin, B.J., Carr, J.C., & Griffin, M. (2010). *Business research methods* (8th ed.). New York: South-Western/Cengage Learning.

# 3.7.3 Inferential Analysis

#### 3.7.3.1 Independent Sample T-test

T-test is used to test a hypothesis that mean scores on some interval or ratio scaled variable (metric) will be significantly different for two independent samples or groups. In this study, t-test is conducted to examine whether gender and family business background have significant influence on students entrepreneurial intention for confirmation testing.

#### 3.7.3.2 Pearson Correlation Analysis

According to Sekaran and Bougie (2010), pearson correlation analysis indicates the strength, direction and significance of bivariate relationships among all the variables that were measured at interval or ratio level. The larger the correlation coefficient, the stronger the level of association and it can be either positive or negative depending on the direction of the relationship between variables. In this study, it is used to measure the covariation and association between entrepreneurial intention and five elements (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) on hypotheses 1, 2, 3, 4, and 5. The test will be done at 5% or 1% significance level.

**Table 3.10: Rule of Thumb about Correlation Coefficient Size** 

Coefficient range	Strength of Association
±0.91 to ±1.00	Very strong
±0.71 to ±0.90	High
±0.41 to ±0.70	Moderate
±0.21 to ±0.40	Small but definite relationship
±0.01 to ±0.20	Slight, almost negligible

Source: Hair, Jr., Money, A. H., Samouel, P., & Page, M. (2007). *Research Methods or Business*. West Sussex: John Wiley Sons.

#### 3.7.3.3 Multiple Linear Regression Analysis

According to Sekaran and Bougie (2010), multiple linear regression analysis is an analysis of association which the effects of two or more independent variables on a single, interval-scaled dependent variable. In this study, independent variables (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) are entered into the same regression equation to predict whether there is any significant relationship with entrepreneurial intention.

Multiple linear regression equation shows the relationship as follow:

$$Y = a + b1X1 + b2X2 + b3X3 + \dots$$

For this research, the below equations show the relationship between independent variables that influencing entrepreneurial intention among students:

Entrepreneurial intention = a + b1 (attitude toward the behavior) + b2 (subjective norm) + b3 (perceived behavioral control) + b4 (entrepreneurship education) + b5 (personality traits)

### 3.8 Conclusion

The entire chapter describes the methodology of how this study was being conducted. Detailed analytical illustration of the data will further discuss in next chapter.

# **CHAPTER 4 RESEARCH RESULT**

## 4.0 Introduction

This chapter discusses the results obtained from questionnaires which were completed by the respondents earlier. It includes descriptive analysis, scale measurement and inferential analyses.

# **4.1 Descriptive Analysis**

# **4.1.1 Personal Details of Respondents**

#### 4.1.1.1 Gender

Table 4.1: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	75	37.5	37.5	37.5
	Female	125	62.5	62.5	100.0
	Total	200	100.0	100.0	

Source: Data generated by SPSS version 19.0

Gender

37.5%

Male
Female

Chart 4.1: Gender

Table 4.1 shows the gender of respondents in percentage. Out of the total respondents (N=200), 125 respondents (62.5%) are female and 75 respondents (37.5%) are male.

### **4.1.1.2** Age Group

Table 4.2: Age Group

	Frequency	Percent	Valid	Cumulative
			Percent	Percent
Valid < 20 years old	0	0	0	0
21-23 years old	183	91.5	91.5	91.5
24-26 years old	17	8.5	8.5	100.0
27-29 years old	0	0	0	
30 and above	0	0	0	
Total	200	100.0	100.0	

Source: Data generated by SPSS version 19.0

**Age Group** 91.5% 100.00% ■ Below 20 years old Number of respondents (in %) 80.00% ≥ 21-23 years 60.00% old ■ 24-26 years 40.00% old ■ 27-29 years 20.00% 0% 0% 0% old 0.00% **Age Group** 

**Chart 4.2: Age Group** 

Table 4.2 shows the age group of respondents in percentage. Out of the total respondents (N=200), 183 respondents (91.5%) are of 21-23 years old and 17 respondents (8.5%) are of 24-26 years old. There are no respondent below 20 years old and above 27 years old.

### **4.1.1.3** Course Currently Pursuing

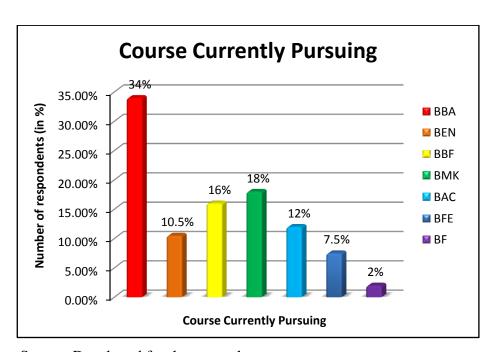
**Table 4.3: Course Currently Pursuing** 

	Frequency	Percent	Valid	Cumulative
			Percent	Percent
Valid				
Bachelor of Business	68	34.0	34.0	34.0
Administration (Hons)				
Bachelor of Business	21	10.5	10.5	44.5
Administration (Hons)				
Entrepreneurship				
Bachelor of Business	32	16.0	16.0	60.5

Administration (Hons)				
Banking and Finance				
Bachelor of Marketing	36	18.0	18.0	78.5
(Hons)				
Bachelor of Commerce	24	12.0	12.0	90.5
(Hons) Accounting				
Bachelor of Economics	15	7.5	7.5	98.0
(Hons) Financial				
Economics				
Bachelor of Finance	4	2.0	2.0	100.0
(Hons)				
Total	200	100.0	100.0	

Source: Data generated by SPSS version 19.0

**Chart 4.3: Course Currently Pursuing** 



Source: Developed for the research

Table 4.3 shows the course currently pursuing by respondents in percentage. Out of the total respondents (N=200), 68 respondents (34%) are taking Bachelor of Business Administration (Hons), 21 respondents (10.5%) are taking Bachelor of Business Administration (Hons) Entrepreneurship, 32 respondents (16%) are taking Bachelor of Business Administration (Hons) Banking and Finance, 36 respondents (18%) are taking Bachelor of Marketing (Hons), 24 respondents (12%) are taking Bachelor of Commerce (Hons) Accounting, 15 respondents (7.5%) are taking Bachelor of Economics (Hons) Financial Economics, and only 4 respondents (2%) are taking Bachelor of Finance (Hons).

#### 4.1.1.4 Family Own Business

**Table 4.4: Family Own Business** 

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	86	43.0	43.0	43.0
No	114	57.0	57.0	100.0
Total	200	100.0	100.0	

Source: Data generated by SPSS version 19.0

Family Own Business

57%
43%
No

**Chart 4.4: Family Own Business** 

Table 4.4 shows whether the family of the respondents owns a business or otherwise. Out of the total respondents (N=200), 114 respondents (57%) said that their family do not own business and 86 respondents (43%) said that their family do own business.

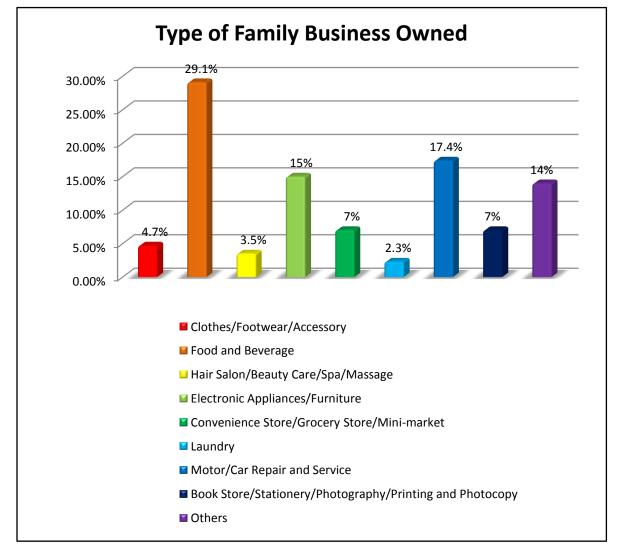
## **4.1.1.5** Type of Family Business Owned

**Table 4.5: Type of Family Business Owned** 

	Frequency	Percent	Valid	Cumulative
			Percent	Percent
Valid				
Clothes/Footwear/Accessory	4	2.0	4.7	4.7
Food and Beverage	25	12.5	29.1	33.7
Hair Salon/Beauty Care/Spa/Massage	3	1.5	3.5	37.2
Electronic Appliances/Furniture	13	6.5	15.1	52.3

Convenience Store/Grocery Store/Mini-	6	3.0	7.0	59.3
market				
Laundry	2	1.0	2.3	61.6
Motor/Car Repair and Service	15	7.5	17.4	79.1
Bookstore/Stationery/Photography/Printing	6	3.0	7.0	86.0
and Photocopy				
Others	12	6.0	14.0	100.0
Total	86	43.0	100.0	
Missing System	114	57.0		
Total	200	100.0		

Source: Data generated by SPSS version 19.0



**Chart 4.5: Type of Family Business Owned** 

Table 4.5 shows several types of family business owned by the respondents. Out of the total respondents (N=200), only 86 respondents' family do own business. Out of 86 respondents, 4 respondents (4.7%) are having family business under the category of Clothes/ Footwear/ Accessory, 25 respondents (29.1%) are having Food and Beverage family business, 3 respondents (3.5%) are having family business under Hair Salon/ Beauty Care/ Spa/ Massage, and 13 respondents (15.1%) are having Electronic Appliances/ Furniture family business. Whereas there are 6 respondents (7%) under the family business of

Convenience Store/ Grocery Store/ Mini-market, 2 respondents (2.3%) own Laundry family business, 15 respondents (17.4%) are doing Motor/ Care Repair and Service family business, 6 respondents (7%) are having family business under category of Book Store/ Stationery/ Photography/ Printing and Photocopy, 12 respondents (14%) indicate others. Others consist of plastic bag manufacturer, advertising company, carpenter, construction firm, logistic firm, tailor, plantation and engineering firm.

# **4.2 Central Tendency Measurement of Constructs**

Central Tendency Measurement tells us where the middle point of a bunch of data lies at. It is used to make comparisons between groups of individuals or between sets of figures.

#### 4.2.1 Attitude Toward The Behavior

Table 4.6: Summary of Central Tendency for Attitude Toward The Behavior

No.	Statement	SD	D	N	A	SA	Mean	Ranking
1	I'd rather be	5.0%	7.5%	18.5%	51.0%	22.5%	3.8750	3
	my own boss							
	than have a							
	secure job.							
2	A career as	1.0%	7.0%	19.0%	54.5%	18.5%	3.8250	4
	entrepreneur is							
	attractive for							
	me.							
3	If I had the	1.0%	4.0%	10.5%	49.5%	35.0%	4.1350	1

	opportunity and							
	resources, I'd							
	like to start a							
	firm.							
4	Being an	0.5%	4.5%	21.0%	52.0%	22.0%	3.9050	2
	entrepreneur							
	would entail							
	great							
	satisfactions for							
	me.							
5	I believe that if	0.5%	8.5%	44.0%	36.0%	11.0%	3.4850	5
	I were to start							
	my business, I							
	will certainly							
	be successful.							

Statement 3 has the highest mean, which is 4.1350. 49.5% of the respondents agreed with the statement and 35% of them strongly agreed with the statement. This is followed by Statement 4 which has the second highest mean, 3.9050. 52% of respondents agreed with this statement whereas 22% of them strongly agreed. Statement 5 has the lowest mean 3.4850. 44% of respondents remained neutral with Statement 5 and 36% of them agreed on that.

# **4.2.2** Subjective Norm

**Table 4.7: Summary of Central Tendency for Subjective Norm** 

No.	Statement	SD	D	N	A	SA	Mean	Ranking
1	My parents are	1.5%	15.5%	36.0%	34.5%	12.5%	3.4100	2

	positively							
	oriented towards							
	my future career							
	as an							
	entrepreneur.							
2	My friends see	1.5%	15.0%	50%	27.0%	6.5%	3.2200	4
	entrepreneurship							
	as a logical							
	choice for me.							
3	I believe that	2.0%	17.0%	36.0%	36.0%	9.0%	3.3300	3
	people, who are							
	important to me,							
	think that I							
	should pursue a							
	career as an							
	entrepreneur.							
4	In my university,	3.0%	6.0%	23.0%	51.0%	17.0%	3.7300	1
	students are							
	actively							
	encouraged to							
	pursue their own							
	ideas.							
5	There is a well-	4.5%	15.0%	45%	28.5%	7.0%	3.1850	5
	functioning							
	support							
	infrastructure in							
	my University to							
	support the start-							
	up of new firms.							

Statement 4 has the highest mean, which is 3.7300. 51% of the respondents agreed with the statement and 23% of them remained neutral. This is followed by Statement 1 which has the second highest mean, 3.4100. 36% of respondents remained neutral with the statement whereas 34.5% of them agreed with it. Statement 5 has the lowest mean, which is 3.1850. 45% of respondents remained neutral with Statement 5 whereas 28.5% agreed on that.

#### 4.2.3 Perceived Behavioral Control

**Table 4.8: Summary of Central Tendency for Perceived Behavioral Control** 

No.	Statement	SD	D	N	A	SA	Mean	Ranking
1	To start a firm	8.0%	59.5%	24.0%	7.0%	1.5%	2.3450	6
	would be easy for							
	me.							
2	To keep a firm	5.5%	42.5%	39.5%	9.0%	3.5%	2.6250	5
	working well is							
	easy for me.							
3	I know how to	3.5%	28.5%	50.0%	15.0%	3.0%	2.8550	4
	develop an							
	entrepreneurial							
	project.							
4	If I tried to start a	2.0%	14.0%	52.5%	25.0%	6.5%	3.2000	3
	firm, I would have							
	a high probability							
	of succeeding.							
5	If I want, I could	4.0%	23.0%	29.0%	37.0%	7.0%	3.2000	2
	become self-							
	employed after							

	my studies.							
6	To start my own	2.5%	11.5%	40.0%	37.5%	8.5%	3.3800	1
	firm would							
	probably be the							
	best way for me to							
	take advantage of							
	my education.							

Statement 6 has the highest rank mean, which is 3.3800. 40% of the respondents remained neutral with the statement and 37.5% of them agreed with it. Statement 5 achieves the second highest mean, which is 3.2000. 37% of respondents agreed with this statement whereas 29% of them remained neutral. Statement 1 has the lowest mean 2.3450. 59.5% of the respondents disagreed on Statement 1 while 24% of them remained neutral.

# **4.2.4 Entrepreneurship Education**

**Table 4.9: Summary of Central Tendency for Entrepreneurship Education** 

No.	Statement	SD	D	N	A	SA	Mean	Ranking
1	Entrepreneurial	1.5%	5.0%	27.0%	54.0%	12.5%	3.7100	3
	subject is very							
	important.							
2	Entrepreneurship	3.0%	4.5%	21.0%	53.5%	18.0%	3.7900	1
	should be taught							
	in university.							
3	Entrepreneurship	2.0%	7.5%	32.0%	42.5%	16.0%	3.6300	4
	course should be							
	made							

	compulsory in							
	order to							
	stimulate							
	entrepreneurial							
	spirit in campus.							
4	More	2.5%	7.5%	23.5%	47.5%	19.0%	3.7300	2
	entrepreneurial							
	and business							
	educational							
	programmes on							
	campus would							
	help students to							
	start businesses.							
5	My university	1.5%	12.5%	51.0%	26.5%	8.5%	3.2800	5
	course prepares							
	people well for							
	entrepreneurial							
	careers.							

Statement 2 has the highest mean, which is 3.7900. 53.5% of the respondents agreed with the statement and 21% of them remained neutral. This is followed by Statement 4 which has the second highest mean 3.7300. 47.5% of respondents agreed with this statement whereas 23.5% of them remained neutral. Statement 5 has the lowest mean 3.2800. 51% of the respondents remained neutral with Statement 5 while 26.5% agreed on that.

# **4.2.5** Personality Traits

**Table 4.10: Summary of Central Tendency for Personality Traits** 

No.	Statement	SD	D	N	A	SA	Mean	Ranking
1	I like to try new	1.0%	2.0%	16.5%	58.0%	22.5%	3.9900	1
	things. (eg.							
	Exotic food or							
	going to new							
	places)							
2	When I travel I	0.5%	16.5%	32.5%	39.0%	11.5%	3.4450	3
	tend to use new							
	routes.							
3	I will start my	1.0%	3.0%	17.5%	61.5%	17.0%	3.9050	2
	own business if I							
	detect an							
	opportunity.							
4	I am confident of	-	10.5%	44.5%	36.0%	9.0%	3.4350	4
	my skills and							
	abilities to start a							
	business.							
5	I have leadership	0.5%	14.5%	38.5%	40.5%	6.0%	3.3700	6
	skills that are							
	needed to be an							
	entrepreneur.							
6	I have mental	2.0%	12.0%	40.5%	37.5%	8.0%	3.3750	5
	maturity to be an							
	entrepreneur.							

Source: Developed for the research

Statement 1 has the highest mean, which is 3.9900. 58% of the respondents agreed with the statement and 22.5% of them strongly agreed it. This is followed by Statement 3 which has the second highest mean 3.9050. 61.5% of respondents agreed with the statement whereas 17.5% of them remained neutral. Statement 5 has the lowest mean 3.3700. 40.5% of the respondents agreed on Statement 5 while 38.5% remained neutral.

## **4.2.6 Entrepreneurial Intention**

**Table 4.11: Summary of Central Tendency for Entrepreneurial Intention** 

No.	Statement	SD	D	N	A	SA	Mean	Ranking
1	I prefer to be an	0.5%	8.5%	23.5%	47.0%	20.5%	3.7850	2
	entrepreneur							
	rather than to be							
	an employee in a							
	company.							
2	My professional	1.0%	16.0%	28.5%	37.5%	17.0%	3.5350	5
	goal is to							
	become an							
	entrepreneur.							
3	I'm determined	2.0%	8.0%	26.0%	42.5%	21.5%	3.7350	4
	to create a firm							
	in the future.							
4	I will make	0.5%	5.5%	11.5%	55.5%	27.0%	4.0300	1
	every effort to							
	manage my own							
	firm.							
5	I have a very	2.0%	10.5%	22.5%	39.0%	26.0%	3.7650	3
	serious thought							

in starting my				
own firm.				

Statement 4 has the highest mean, which is 4.030. 55.5% of the respondents agreed with the statement and among them, male respondents contribute 45.3% whereas female contributes 61.6%. There are 27% of the respondents strongly agreed with Statement 4. Among them, male respondents contribute 37.33% while female contributes 20.8%. This is followed by Statement 1 which has the second highest mean 3.7850. 47% of respondents agreed with the statement and among them, male respondents contribute 45.33% while female contributes 47.2%. There are 23.5% of the respondents remained neutral towards Statement 1. Among them, male respondents contribute 18.67% and female contributes 24%.

## **4.2.7 Further Testing (Gender Differences)**

<u>Table 4.12: Descriptive Statistic of Gender Differences towards</u>

<u>Entrepreneurial Intention</u>

No.	Statement		Male	Male	Female	Female	Total	Total
			(%)	(Person)	(%)	(Person)	(%)	(Person)
1	I prefer to be	SD	1.33	1	0.80	1	1.00	2
	an	D	8.00	6	8.80	11	8.50	17
	entrepreneur	N	18.67	14	24.00	30	23.50	47
	rather than	A	45.33	34	47.20	59	46.50	93
	to be an	SA	26.67	20	20.80	26	20.50	41
	employee in							
	a company							
2	My	SD	26.67	2	0	0	1.00	2

	professional	D	16.00	12	16.00	20	16.00	32
	goal is to	N	24.00	18	31.20	39	28.50	57
	become an	A	36.00	27	38.40	48	37.50	75
	entrepreneur.	SA	21.33	16	14.40	18	17.00	34
3	I'm	SD	4.00	3	0.80	1	2.00	4
	determined	D	4.00	3	10.40	13	8.00	16
	to create a	N	18.67	14	30.40	38	26.00	52
	firm in the	A	42.67	32	42.40	53	42.50	85
	future.	SA	30.67	23	16.00	20	21.50	43
4	I will make	SD	1.33	1	0	0	0.50	1
	every effort	D	2.67	2	7.20	9	5.50	11
	to manage	N	13.33	10	10.40	13	11.50	23
	my own	A	45.33	34	61.60	77	55.50	111
	firm.	SA	37.33	28	20.80	26	27.00	54
5	I have a very	SD	4.00	3	0.80	1	2.00	4
	serious	D	8.00	6	12.00	15	10.50	21
	thought in	N	13.33	10	28.00	35	22.50	45
	starting my	A	38.67	29	39.20	49	39.00	78
	own firm.	SA	36.00	27	20.00	25	26.00	52

Table 4.12 shows how respondents answer on each statement of entrepreneurial intention. There is higher entrepreneurial intention among the female respondents compared to male respondents. Researchers conduct additional test to determine whether the relationship of gender and entrepreneurial intention.

<u>Table 4.13: T-test Result (Gender Difference and Entrepreneurial Intention)</u>

Gender	N	Mean	Std. Deviation	Std. Error Mean
EI Male	75	19.4667	4.24370	0.49002
Female	125	18.4800	3.75371	0.3375

	Levene's Tset for Equality of Variance		
	F	Sig.	
EI Equal Variances Assumed	1.719	0.191	
Equal variances not Assumed			

	t-test for Equality of Means					
	t df		Sig.(2-tailed)	Mean		
				Difference		
EI Equal Variances Assumed	1.713	198	0.088	0.98667		
Equal variances not Assumed	1.661	141.214	0.099	0.98667		

From table 4.13, the t-value to report is 1.713. The Sig. under Levene Test for Equality of Variance is higher than alpha value of 0.05. Thus, it shows the variances are equal.

The p-value under equal variance assumed should be reported. The p-value is 0.088 is much bigger than alpha value of 0.05. Therefore, there is no significant difference between male and female in their intention to be entrepreneur. This showed that gender does not influence students' entrepreneurial intention. This result is consistent with Khan et al. (2011) and Ahmed et al. (2010).

# **4.2.8** Further Testing (Family Background)

<u>Table 4.14: Descriptive Statistic of Family Background towards Entrepreneurial</u>
<u>Intention</u>

No.	Statement		Family	Family	Family	Family	Total	Total
			have	have	don't	don't	(%)	(Person)
			business	business	have	have		
			(%)	(Person)	business	business		
					(%)	(Person)		
1	I prefer to be an	SD	1.16	1	0	0	0.50	1
	entrepreneur	D	4.65	4	11.40	13	8.50	17
	rather than to be	N	22.09	19	24.56	28	23.50	47
	an employee in	A	43.02	37	50.00	57	47.00	94
	a company	SA	29.07	25	14.04	16	20.50	41
2	My professional	SD	0	0	1.75	2	1.00	2
	goal is to	D	10.47	9	20.18	23	16.00	32
	become an	N	27.91	24	28.95	33	28.50	57
	entrepreneur.	A	37.21	32	37.72	43	37.50	75
		SA	24.42	21	11.40	13	17.00	34
3	I'm determined	SD	3.49	3	0.87	1	2.00	4
	to create a firm	D	5.81	5	9.65	11	8.00	16
	in the future.	N	24.42	21	27.19	31	26.00	52
		A	37.21	32	46.49	53	42.50	85
		SA	29.07	25	15.79	18	21.50	43
4	I will make	SD	1.16	1	0	0	0.50	1
	every effort to	D	4.65	4	6.14	7	5.50	11
	manage my own	N	12.79	11	10.53	12	11.50	23
	firm.	A	44.19	38	64.04	73	55.50	111
		SA	37.21	32	19.30	22	27.00	54

5	I have a very	SD	2.33	2	1.75	2	2.00	4
	serious thought	D	8.14	7	12.28	14	10.50	21
	in starting my	N	19.77	17	24.56	28	22.50	45
	own firm.	A	36.05	31	41.23	47	39.00	78
		SA	33.72	29	20.18	23	26.00	52

Table 4.14 shows how respondents answer on each statement of entrepreneurial intention. There is higher entrepreneurial intention among the respondents who do not have family business compared to those respondents who have family business. Researchers conduct additional test to determine whether the relationship of family business and entrepreneurial intention.

<u>Table 4.15: T-test Result (Family Background and Entrepreneurial Intention)</u>

Family	N	Mean	Std. Deviation	Std. Error Mean
Business				
EI Yes	86	19.5465	4.18304	0.45107
No	114	18.3246	3.72149	0.34855

	Levene's Test for Equality of Variance		
	F	Sig.	
EI Equal Variances Assumed	1.452	0.230	
Equal variances not Assumed			

	t-test for Equality of Means			
	t df		Sig.(2-tailed)	Mean
				Difference
EI Equal Variances Assumed	2.179	198	0.032	1.22195
Equal variances not Assumed	2.144	170.962	0.033	1.22195

From table 4.15, the t-value to report is 1.452. The Sig. under Levene Test for Equality of Variance is higher than alpha value of 0.05. Thus, it shows the variances are equal.

The p-value under equal variance assumed should be reported. The p-value is 0.031 is much smaller than alpha value of 0.05. Therefore, there is significant difference between family backgrounds in their intention to be entrepreneur. The result is assured the study of Ahmed et al. (2010), support of family and a perception that entrepreneurship would be a gratifying and attractive career option is related to stronger entrepreneurial intentions.

# 4.3 Scale of Measurement

### **4.3.1 Normality Test**

The following table shows the summary of reliability statistics for five independent variables and one dependent variable.

**Table 4.16: Summary of Normality Test** 

	Shapiro-Wilk			
	Statistic	df	Sig.	
Standardized Predicted	0.978	200	0.003	
Value				

Source: Developed for the research

According to Table 4.16, the statistic of Shapiro-Wilk is 0.978 with a significance of 0.003. If the Sig. value of the Shapiro-Wilk Test is greater than 0.05 then the data is normal, if it is below 0.05 then the data is not normally distribute (Lund Research Ltd, 2012). This shows that the data is not normally distributed.

# 4.3.2 Reliability Test

The following shows the summary of reliability statistics for the independent variables (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) and one dependent variable (entrepreneurial intention).

**Table 4.17: Summary of Reliability Statistics** 

No.	Construct	Cronbach's	Number of	Number of
		Alpha	Items	respondents
1	Attitude Toward The Behavior (IDV1)	0.809	5	200
2	Subjective Norm (IDV2)	0.760	5	200
3	Perceived Behavioral Control (IDV3)	0.795	6	200
4	Entrepreneurship Education(IDV4)	0.854	5	200
5	Personality Traits(IDV5)	0.818	6	200
6	Entrepreneurial Intention (DV)	0.904	5	200

According to Table 4.17, the Cronbach's alpha value of entrepreneurial intention is 0.904, entrepreneurship education is 0.854, personality test is 0.818, attitude toward the behavior is 0.809, perceived behavioral control is 0.795 and subjective norm is 0.760. This concludes that all the items in each construct of this study show a stable and consistent result.

# **4.4 Inferential Analysis**

# **4.4.1 Pearson Correlation Coefficient Analysis**

**Table 4.18: Summary of Pearson Correlation Coefficient Analysis** 

		Entrepreneurial
		Intention (DV)
Attitude Toward	Pearson Correlation	0.713**
The Behavior		0.000
(IDV1)	Sig. (2-tailed)	0.000
	N	200
Subjective Norm	Pearson Correlation	0.439**
(IDV2)	Sig. (2-tailed)	0.000
	N	200
Perceived	Pearson Correlation	0.416**
Behavioral		
Control(IDV3)	Sig. (2-tailed)	0.000
	N	200
Entrepreneurship	Pearson Correlation	0.410**
Education(IDV4)	Sig. (2-tailed)	0.000
	N	200
Personality	Pearson Correlation	0.690**
Traits(IDV5)	Sign (2 to:lod)	0.000
	Sig. (2-tailed)	0.000
	N	200
Entrepreneurial	Pearson Correlation	1
Intention (DV)	Sig. (2-tailed)	
	N	200

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

Source: Developed for the research

#### **Hypothesis 1**

• H<sub>0</sub>: There is no significant relationship between attitude toward the behavior and entrepreneurial intention.

• H<sub>1</sub>: There is significant relationship between attitude toward the behavior and entrepreneurial intention.

Table 4.18 indicates that the correlation coefficient between attitude toward behavior and entrepreneurial intention is 0.713 with p-value of 0.000 < 0.01. Thus, null hypothesis (H<sub>0</sub>) is rejected. There is high positive relationship between attitude toward behavior and entrepreneurial intention. Students with high attitude toward behavior have greater entrepreneurial intention.

#### **Hypothesis 2**

• H<sub>0</sub>: There is no significant relationship subjective norm and entrepreneurial intention.

• H<sub>1</sub>: There is significant relationship between subjective norm and entrepreneurial intention.

Table 4.18 indicates that the correlation coefficient between subjective norm and entrepreneurial intention is 0.439 with p-value of 0.000 < 0.01. Thus, null hypothesis (H<sub>0</sub>) is rejected. There is moderate relationship between subjective norm and entrepreneurial intention. Students with high subjective norm will have greater entrepreneurial intention.

#### **Hypothesis 3**

- H<sub>0</sub>: There is no significant relationship between perceived behavioral control and entrepreneurial intention.
- H<sub>1</sub>: There is significant relationship between perceived behavioral control and entrepreneurial intention.

Table 4.18 indicates that the correlation coefficient between perceived behavioral control and entrepreneurial intention is 0.416 with p-value of 0.000 < 0.01. Thus, null hypothesis (H<sub>0</sub>) is rejected. There is moderate positive relationship between perceived behavioral control and entrepreneurial intention. Students with high perceived behavioral control have greater entrepreneurial intention.

#### **Hypothesis 4**

- H<sub>0</sub>: There is no significant relationship between entrepreneurship education and entrepreneurial intention.
- H<sub>1</sub>: There is significant relationship between entrepreneurship education and entrepreneurial intention.

Table 4.18 indicates that the correlation coefficient between entrepreneurship education and entrepreneurial intention is 0.410 with p-value of 0.000 < 0.01. Thus, null hypothesis (H<sub>0</sub>) is rejected. There is moderate positive relationship between entrepreneurship education and entrepreneurial intention. Students with strong entrepreneurship education have greater entrepreneurial intention.

#### **Hypothesis 5**

- H<sub>0</sub>: There is no significant relationship between personality traits and entrepreneurial intention.
- H<sub>1</sub>: There is significant relationship between personality traits and entrepreneurial intention.

Table 4.18 indicates that the correlation coefficient between personality traits and entrepreneurial intention is 0.690 with p-value of 0.000 < 0.01. Thus, null hypothesis ( $H_{0}$ ) is rejected. There is moderate positive moderate relationship between personality traits and entrepreneurial intention. Students with strong personality traits have greater entrepreneurial intention.

## 4.4.2 Multiple Linear Regression Analysis

**Table 4.19: Model Summary** 

Model R	R	R Square	Adjusted R	Std. Error of	
			Square	the Estimate	
1	0.795 <sup>a</sup>	0.632	0.622	2.43644	

- a. Predictors: (Constant) Attitude Toward The Behavior, Subjective Norm, Perceived Behavioral Control, Entrepreneurship Education, Personality Traits
- b. Dependent Variable: Entrepreneurial Intention

Source: Developed for the research

According to Table 4.19, R Square for this model is 0.632. This means that 63.2% of the variation dependent variable (entrepreneurial intention) can be explained by the five independent variables (attitude toward the behavior,

subjective norm, perceived behavioral control, entrepreneurship education and personality traits).

**Table 4.20: Analysis of Variance (ANOVA)** 

Model		Sum of	df	Mean	F	Sig
		Squares		Square		
1	Regression	1973.869	5	394.774	66.502	$0.000^{a}$
	Residual	1151.631	194	5.936		
	Total	3125.500	199			

- a. Predictors: (Constant) Attitude Toward The Behavior, Subjective Norm, Perceived Behavioral Control, Entrepreneurship Education, Personality Traits
- b. Dependent Variable: Entrepreneurial Intention

Source: Developed for the research

#### **Hypothesis 6**

- H<sub>0</sub>: There is no significant relationship between independent variables (attitude toward behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) and entrepreneurial intention.
- H<sub>1</sub>: There is a significant relationship between independent variables (attitude toward behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) and entrepreneurial intention.

Based on Table 4.20, the F value is 66.502 with a p-value 0.000 < 0.05 significance level. Thus, the overall regression model for these five predictors has significantly explained the variation in entrepreneurial intention.

**Table 4.21: Summary of Regression Coefficients** 

	Unsta	ndardized	Standardized		
	Coe	fficients	Coefficients		
Model	Beta	Std. Error	Beta	t	sig
Constant	-3.297	1.291	-	-2.553	0.011
Attitude Toward The Behavior	0.599	0.075	0.474	7.990	0.000
(ATB)					
Subjective norm (SN)	-0.090	0.073	-0.074	-1.235	0.218
Perceived Behavioral Control	0.015	0.058	0.014	.263	0.793
(PBC)					
Entrepreneurship Education	0.136	0.059	0.120	2.318	0.021
(EE)					
Personality Traits (PT)	0.438	0.066	0.393	6.625	0.000

a. Dependent Variable: Entrepreneurial Intention

Source: Developed for the research

Based on the Table 4.21, the regression equation for the entrepreneurial intention (EI) is:

$$EI = -3.297 + 0.599ATB + (-0.090) SN + 0.015PBC + 0.136EE + 0.438PT$$

According to the equation above, attitude toward the behavior, perceived behavioral control, entrepreneurship education and personality traits have positive relationship with entrepreneurial intention while subjective norm has negative relationship to entrepreneurial intention.

Attitude toward the behavior is the predictor variables that contribute the highest to the variation of the entrepreneurial intention; every unit increase in attitude toward the behavior, it will increase a total of 0.599 unit of

entrepreneurial intention provided other independent variables remain constant. The second highest predictor is personality traits ( $\beta = 0.438$ ) followed by entrepreneurship education ( $\beta = 0.136$ ). Subjective norm has a negative relationship with entrepreneurial intention; every one unit increase in subjective norm, entrepreneurial intention will decrease 0.090 by holding other variables constant.

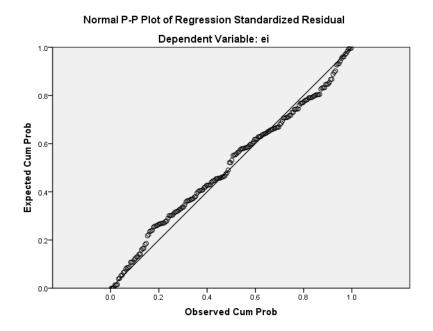
**Table 4.22: Summary of Collinearity Statistics** 

Collinearity Statistics			
	Tolerance	VIF	
Attitude Toward The Behavior	0.539	1.854	
(IDV1)			
Subjective Norm (IDV2)	0.530	1.888	
Perceived Behavioral	0.654	1.529	
Control(IDV3)			
Entrepreneurship Education(IDV4)	0.708	1.413	
Personality Traits(IDV5)	0.541	1.850	

Source: Developed for the research

According to Table 4.22, the tolerance value and VIF among all independent variables are more than 0.10 and 10. The cut-off value is a tolerance value of 0.10, which corresponds to a VIF of 10 (Sekaran & Bougie, 2010). This shows that there is no multicollinearity among all independent variables.

**Graph 4.1: Normal Probability Plot of Regression Standardized Residual** 



Source: Developed for the research

According to Graph 4.1, the plot shows the estimated equation; -3.297 + 0.599ATB + (-0.090) SN + 0.015PBC + 0.136EE + 0.438PT is almost linearly related. All independent variables (attitude toward the behavior, subjective norm, perceived behavioral control, entrepreneurship education and personality traits) are almost linearly related to the dependent variable (entrepreneurial intention).

## 4.4.3 Confirmation Testing on Theory of Planned Behavior

**Table 4.23 Model Summary for TPB** 

Model R	R	R Square	Adjusted R	Std. Error of
			Square	the Estimate
1	0.726 <sup>a</sup>	0.520	0.520	2.74562

- a. Predictors: (Constant) Attitude Toward The Behavior, Subjective Norm, Perceived Behavioral Control
- b. Dependent Variable: Entrepreneurial Intention

Source: Developed for the research

According to Table 4.23, R Square for this model is 0.520. This means that 52.0% of the variation dependent variable (entrepreneurial intention) can be explained by the three independent variables (attitude toward the behavior, subjective norm, and perceived behavioral control.

Table 4.24: Analysis of Variance (ANOVA) for TPB

Model		Sum of	df	Mean	F	Sig
		Squares		Square		
1	Regression	1647.973	3	549.324	72.870	$0.000^{a}$
	Residual	1477.527	196	7.538		
	Total	3125.500	199			

- a. Predictors: (Constant) Attitude Toward The Behavior, Subjective Norm,
   Perceived Behavioral Control
- b. Dependent Variable: Entrepreneurial Intention

Source: Developed for the research

Based on Table 4.25, the F value is 72.870 with a 0.000 significance level. Thus, the overall regression model for these three predictors (attitude toward the behavior, subjective norm and perceived behavioral control) has significantly explained the variation in entrepreneurial intention.

**Table 4.25: Summary of Regression Coefficients for TPB** 

	Unsta	ndardized	Standardized		
	Coefficients		Coefficients		
Model	Beta	Std. Error	Beta	t	sig
Constant	0.162	1.331	-	0.122	0.903
Attitude Toward The Behavior	0.823	0.077	0.652	10.711	0.000
(ATB)					
Subjective norm (SN)	-0.01	0.076	-0.001	-0.014	0.989
Perceived Behavioral Control	0.164	0.061	0.152	.263	0.008
(PBC)					

a. Dependent Variable: Entrepreneurial Intention

Source: Developed for the research

Based on the Table 4.25, the regression equation for the entrepreneurial intention (EI) is:

$$EI = 0.162 + 0.823ATB + (-0.010) SN + 0.164PBC$$

According to the equation above, attitude toward the behavior and perceived behavioral control have positive relationship with entrepreneurial intention while subjective norm has negative relationship to entrepreneurial intention. The finding is still same when subjective norm is tested with the proposed five independent variables.

# 4.5 CONCLUSION

Before proceeding to Chapter 5, all the analysis of data had been completed through Statistical Package for Social Science (SPSS) version 19. The six hypotheses proposed in this study were clarified through the tables, charts and graphs shown. Major findings, implications of study, limitations and recommendation will be discussed in detailed in next chapter.

# **CHAPTER 5: DISCUSSION AND CONCLUSION**

### 5.0 Introduction

This chapter includes summary of results from previous chapter, discussion on major findings, implications, limitations and recommendations for future research.

# 5.1 Summary of Statistical Analysis

### **5.1.1 Personal Details of Respondents**

In this study, most of the targeted respondents are female students. The majority of respondents are in the age range of 21-23 years old. The target respondents are mainly from Bachelor of Business Administration (Hons) under Faculty of Business and Finance. The research result showed that nearly half of the respondents are having family business background; most of the types of family business are clothes/footwear/accessory.

#### **5.1.2** Central Tendencies Measurement of Construct

#### **5.1.2.1** Attitude Toward The Behavior

Table 5.1: Summary of Central Tendencies of Attitude Toward The Behavior

Items	Highest Mean	Lowest Mean
If I had the opportunity and resources, I'd like to	4.1350	
start a firm.		
I believe that if I were to start my business, I		3.4850
will certainly be successful.		

Source: Developed for the research

### 5.1.2.2 Subjective Norm

**Table 5.2: Summary of Central Tendencies of Subjective Norm** 

Items	Highest Mean	Lowest Mean
In my university, students are actively	3.7300	
encouraged to pursue their own ideas.		
There is a well-functioning support		3.1850
infrastructure in my University to support the		
start-up of new firms		

Source: Developed for the research

#### **5.1.2.3 Perceived Behavioral Control**

**Table 5.3: Summary of Central Tendencies of Perceived Behavioral Control** 

Items	Highest Mean	<b>Lowest Mean</b>
To start my own firm would probably be the	3.3800	
best way for me to take advantage of my		
education.		
To start a firm would be easy for me.		2.3450

Source: Developed for the research

### **5.1.2.4** Entrepreneurship Education

**Table 5.4: Summary of Central Tendencies of Entrepreneurship Education** 

Items	Highest Mean	<b>Lowest Mean</b>
Entrepreneurship should be taught in university.	3.7900	
My university course prepares people well for		3.2800
entrepreneurial careers.		

Source: Developed for the research

### **5.1.2.5 Personality Traits**

**Table 5.5: Summary of Central Tendencies of Personality Traits** 

Items	Highest Mean	<b>Lowest Mean</b>
I like to try new things. (eg: Exotic food or	3.9900	
going to new places).		
I have leadership skills that are needed to be an		3.3700
entrepreneur.		

Source: Developed for the research

### **5.1.2.6** Entrepreneurial Intention

**Table 5.6: Summary of Central Tendencies of Entrepreneurial Intention** 

Items	Highest Mean	Lowest Mean
I will make every effort to manage my own	4.0300	
firm.		
My professional goal is to become an		3.5350
entrepreneur.		

Source: Developed for the research

#### **5.1.3** Scale Measurement

#### **5.1.3.1** Reliability Test

Entrepreneurial intention is having the highest Cronbach's alpha value (0.904) while entrepreneurship education is having the second highest alpha value (0.854), followed by personality traits (0.818), attitude toward the behavior (0.809), perceived behavioral control (0.795) and subjective norm (0.760). All variables are good internal-consistency reliability because they score more than 0.7.

### **5.1.4 Summary of Inferential Analysis**

#### **5.1.4.1 Pearson Correlation Coefficient Analysis**

All independent variables are positively correlated with entrepreneurial intention. Attitude toward the behavior has the highest correlation (0.713), followed by moderate correlations which are personality traits (0.690), subjective norm (0.439), perceived behavioral control (0.416) and entrepreneurship education (0.410).

### **5.1.4.2** Multiple Linear Regression Analysis

The study has achieved  $R^2$ =0.632 indicates that 63.2% of the variation in the dependent variable can be explained by five independent variables. F-value for this model is 66.502 with 0.000 significant level.

The multiple linear regression equation:

Entrepreneurial Intention=-3.297 + 0.599 (attitude toward the behavior) -0.090 (subjective norm) +0.015 (perceived behavioral control) +0.136 (entrepreneurship education) +0.438 (personality traits).

# **5.2 Discussion on Major Findings**

Table 5.7: Summary of the Result of Hypothesis Testing

Hypothesis (H <sub>0</sub> and H <sub>1</sub> )	p-value	Decision
Hypothesis 1		
H <sub>0:</sub> There is no significant relationship	0.000 < 0.01	H <sub>0</sub> is rejected.
between attitude toward the behavior	alpha value	
and entrepreneurial intention.		
H <sub>1:</sub> There is significant relationship		
between attitude toward the behavior		
and entrepreneurial intention.		
Hypothesis 2		
H <sub>0:</sub> There is no significant relationship	0.000 < 0.01	H <sub>0</sub> is rejected.
between subjective norm and	alpha value	
entrepreneurial intention.		
H <sub>1:</sub> There is significant relationship		

between subjective norm and		
entrepreneurial intention.		
Hypothesis 3		
H <sub>0</sub> : There is no significant relationship	0.000 < 0.01	H <sub>0</sub> is rejected.
between perceived behavioral control	alpha value	
and entrepreneurial intention.		
H <sub>1:</sub> There is significant relationship		
between perceived behavioral control		
and entrepreneurial intention.		
Hypothesis 4		
H <sub>0:</sub> There is no significant relationship	0.000 < 0.01	$H_0$ is rejected.
between entrepreneurship education and	alpha value	
entrepreneurial intention.		
H <sub>1:</sub> There is significant relationship		
between entrepreneurship education and		
entrepreneurial intention.		
<u>Hypothesis 5</u>		
H <sub>0</sub> : There is no significant relationship	0.000 < 0.01	H <sub>0</sub> is rejected.
between personality traits and	alpha value	
entrepreneurial intention.		
H <sub>1</sub> : There is significant relationship		
between personality traits and		
entrepreneurial intention.		
Hypothesis 6		
$H_0$ : The five independent variables (i.e.	0.000 < 0.05	H <sub>0</sub> is rejected.
attitude toward the behavior, subjective	alpha value	
norm, perceived behavioral control,		
entrepreneurship education and		
personality traits) are not significantly		
explained by variance on		

entrepreneurial intention.	
H <sub>1</sub> : The five independent variables (i.e.	
attitude toward the behavior, subjective	
norm, perceived behavioral control,	
entrepreneurship education and	
personality traits) are significantly	
explained by variance on	
entrepreneurial intention.	

Source: Developed for the research

#### **5.2.1** Attitude Toward The Behavior

H<sub>1</sub>: There is a significant relationship between attitude toward the behavior and entrepreneurial intention.

It shows that attitude toward the behavior has a positive correlation of 0.713 towards entrepreneurial intention which indicates that the higher the attitude toward the behavior, the higher the entrepreneurial intention. Researchers have obtained p-value 0.000 < 0.01 which means that there is a significant relationship between attitude toward the behavior and entrepreneurial intention. This result is consistent with Dohse and Walter (2009); Pa \( \text{\text{o}} \) et al. (2011); Kolvereid and Tkachev (1999), Krueger et al. (2000), Frazier and Niehm (2006) which reveals the significant between attitude toward behavior and entrepreneurial intention. It indicates that the students have favorableness of being self-employed. When the students have a more positive view about the outcome of getting a business to be started, the more favorable their attitude toward the behavior and subsequently, the stronger their intention to take the initiative to start-up a business. Conversely, if students perceived that

entrepreneurship will not bring any advantages for them, they will have a negative attitude toward behavior and do not have any intention.

### **5.2.2 Subjective Norm**

H<sub>1</sub>: There is a significant relationship between subjective norm and entrepreneurial intention.

It shows that there a significant relationship between subjective norm and entrepreneurial intention with moderate coefficient of 0.439. Researchers have obtained p-value 0.000 < 0.01 which means that there is significant relationship between subjective norm and entrepreneurial intention. This is supported by Kolvereid (1997); Kolvereid and Tkachev (1999); Kolveried and Isaksen (2006); Yordanova and Tarrazon (2010). Nevertheless, when measuring subjective norm in the overall model by multiple linear regression, subjective norm proved to be insignificant with p-value of 0.218, consistent with Reitan (1997); Krueger et al. (2000); Autio et al. (2001); Li ñán and Chen (2009), which stated that there is no significant relationship between subjective norm and entrepreneurial intention. Nevertheless, the researchers did test by removing a few questions in subjective norm to test it since proved that a significant relationship exists in multiple linear regression as well. The insignificant of the variable is due to the rapid changes of social environment, family, friends and peer groups might not influence individuals in making decision. Individuals will consider the external factors like prior knowledge and business experience, financial support and market condition before starting-up own business.

#### 5.2.3 Perceived Behavioral Control

H<sub>1</sub>: There is a significant relationship between perceived behavioral control and entrepreneurial intention.

Based on the result, there is a significant relationship between perceived behavioral control and entrepreneurial intention. The supporting statistic data shows that moderate positive correlation of 0.416 exists between perceived behavioral control and entrepreneurial intention. This can be explained that the higher the perceived behavioral control of an individual, the greater the entrepreneurial intention. From the findings, researchers have obtained pvalue 0.000 < 0.01 which means that there is a significant relationship between perceived behavioral control and entrepreneurial intention. This result is consistent with the study of Wood and Bandura (1989); Kristiansen and Indarti (2004); Kolvereid (1996b); Basu and Virick (2008); Ruhle et al. (2010) where perceived behavioral control has a significant relationship with the intention. Wood and Bandura (1989) has discussed that perceived behavioral control will increase with the provision of entrepreneurship education, and leads to the higher intention. Apart from this, Ruhle et al. (2010) proposed that self-assessment of perceived behavioral control contributes greatly on students' intention.

# 5.2.4 Entrepreneurship Education

H<sub>1</sub>: There is a significant relationship between entrepreneurship education and entrepreneurial intention.

This research results showed that there is significant positive and moderate relationship between entrepreneurship education and entrepreneurial intention

which carries correlation coefficient value of 0.410 and p-value of 0.000 which is significant at the alpha value 0.01.

The finding of this research proved that entrepreneurship education and entrepreneurial intention is positively linked. This result is particular consistent and supported by previous researchers (Fayolle & Gailly, 2004; Lee et al., 2005; Matlay, 2008; Izedonmi & Okafor, 2010; Ooi et al., 2010). This is because entrepreneurship education has equipped the students with necessary skills and knowledge by preparing them to deal with uncertainty in future by helping them to be entrepreneurs as they have the basic knowledge regarding management of firm, minimizing risk barriers (Izquierdo & Buelens, 2008; Ahmed et al. 2010; Ekpoh & Edet, 2011; Zhou et al., 2012), leading to increase their capability in managing their business venture in future (Peterman & Kennedy, 2003; Izquierdo & Buelens, 2008) and improve their attitude towards entrepreneurship, in turn, increase their entrepreneurial intention (Dell, 2008; Tam, 2009).

The results affirm the key role of entrepreneurship education in inspiring students' inclination towards entrepreneurship and indicate that universities and higher learning institutions are platform in developing and exploring potential entrepreneurs (Tam, 2009; Izedonmi & Okafor, 2010; Gelard & Saleh, 2010; Ooi et al., 2011).

# **5.2.5 Personality Traits**

H<sub>1:</sub> There is a significant relationship between personality traits and entrepreneurial intention.

It showed that personality traits have positive relationship towards entrepreneurial intention with coefficient correlation of 0.690 and p-value 0.000 < 0.01; which means that there is a significant relationship between personality traits and entrepreneurial intention. The result is particular consistent and supported by previous researchers (Zain et al., 2010; Costa & McCrae, 1984; Singh & DeNoble, 2003; Taramisi Sama-Ae, 2009; Tong et al., 2011) which supported that personality traits has positive impact on stimulating students' entrepreneurial intention. The students with high need for achievement, greater internal locus of control, and have the willingness to take risk, lead to higher entrepreneurial intention.

# **5.3 Implications of the Study**

### **5.3.1 Managerial Implication**

Attitude toward the behavior, subjective norms, perceived behavior control, entrepreneurship education and personality traits show significant relationship with entrepreneurial intention. These results are useful in providing implications for various parties.

### **5.3.1.1** Government and Policy Maker

The positive relationship of entrepreneurship education is insightful for policy makers at the Malaysian Ministry of Education to establish the formal entrepreneurial courses in all secondary and tertiary learning institutions, providing a better entrepreneurial environment and facilitating new venture creation in Malaysia (Bagheri & Pihie, 2011). Once they have the knowledge

about entrepreneurship, this will encourage them to be self- employed (Gelard & Saleh, 2010). In order to facilitate new venture creation for younger generation, government shall provide the funds and supporting infrastructures, as well as removing the impediments in the entrepreneurial career path (Bagheri & Pihie, 2011).

#### 5.3.1.2 University

The researchers suggest that universities should involve in an early stage to provide entrepreneurship education on to increase awareness of students about entrepreneurship (Scholten et al., 2004), shaping their attitude toward the behavior and enhancing their perceived behavioral control and personality traits. The findings are insightful for universities program instructor in designing and enhancing the entrepreneurship course structure, subjects offering as to be proactive enough and practical-oriented with the aim of sustaining students' interest in entrepreneurship (Ismail, Khalid, Othman, Jusoff, Rahman, Kassim & Zain, 2009). Universities shall organize more entrepreneurial-related activities or programmes and workshops that can enhance students' perceived behavioral control, for instance, projects like business proposal, managing small business in campus or during flea markets, providing opportunities for students to involve in managing their own business and get prior business experience (Ismail et al., 2009). The developed questionnaires can be distributed to students who are going to enrol in tertiary study to figure out their internal factors such as personality traits and attitudes that lead to entrepreneurial intention, hence, minimizing their confusion in selecting interested course.

#### **5.3.1.3** Scholar

This study provides the scholar with detailed information about the entrepreneurial intention among undergraduates in higher learning institution. By investigating entrepreneurial intention, researchers can identify the entrepreneurial activity easily. Regarding the theoretical model, researchers are able to contribute to literature about theory of TPB. Researchers conduct the confirmation testing to ensure the consistency of TPB in different time period. There is 52% of entrepreneurial intention can be explained by component of TPB (attitude toward the behavior, subjective norm and perceived behavioral control). The proposed theoretical framework may be referred by other researchers in future studies.

# 5.4 Limitations of the Study

There are a few limitations being discovered during the process of conducting research. The limitations merely provide platforms for future studies and thus do not divert the significance of the findings.

# 5.4.1 Sampling Location

There is only one higher learning institution included in this study and the sampling location is only in Kampar, Perak. Therefore, the research outcomes are unable to represent the opinions of all students as there are many higher learning institutions situated in Malaysia. The researchers should expand the sampling location to include universities throughout Malaysia to obtain research outcomes with high accuracy.

### **5.4.2 Target Respondents**

There are only final year students from the FBF in UTAR are valid candidates in this study and the sample size are only limited to 200 respondents. This small sample size is difficult to detect the reliability of the research and unable to represent the opinion of all undergraduates from other faculties. Undergraduates from all faculties should be taken into consideration to get better insight into entrepreneurial intention. Besides, this study only highlight the final year students, different age group of individual might have different thinking towards entrepreneurship. Thus, opinions from individual of different age group should be considered.

#### **5.4.3** Time Constraints

Entrepreneurial intention is the best predictor of entrepreneurial action. This research study only examines the entrepreneurial intention but not actual action as it appears to be impracticable in the real life and it requires a longer duration to monitor the actual action. Researchers are incapable of conducting this longitudinal study.

## 5.4.4 Ethnic Group

Researchers do not take into consideration about the opinions from different ethnic groups. It is one of the aspects that required attention as individuals from different ethnic group might have different perception toward entrepreneurship, and their entrepreneurial intention might vary. In order to

obtain a more accurate result, all the respondents should be randomly chosen from different ethnic groups.

## **5.4.5 Secondary Data**

Due to limited financial resources, researchers are unable to have direct access to many research papers such as Shapero and Sokol (1982) papers that deemed to be important and related to this study. Although researchers are able to access these information through secondary source, but the authors might not be able to include all information that are important in this study.

# 5.5 Recommendations for Future Study

Future researchers should conduct the research in higher learning institutions all over the Malaysia in order to get higher accuracy of the university students' feedback to avoid the bias that might be incurred. Besides, there are only 200 respondents from the sample size in this research. Future researchers should enlarge the sample size of respondents to better represent the opinion of whole undergraduates' population, from private and public institutions.

Future researchers should continue adopt Theory of Planned Behavior (Ajzen, 1991) in their study as theory to investigate entrepreneurial intention; this is because it shows significant in this study which consistence with pervious researchers (Armitage & Conner, 2001; Krueger et al., 2000; Lin & Lee (2004). The result showed TPB components explain 52% variance in entrepreneurial intention. Researchers adopted questions from other researchers. Future researchers can redesign the question of the

questionnaire to better suit their research objective. Validity test should be conducted to ensure the questionnaire is valid for the particular research.

This is an exploratory research. It requires more information to clarify ambiguous situation. Thus, future researchers can use other combination of data collection methods like interviews. This can increase the participation of respondents and interviewers can get more opinions from multiple perspective. Besides that, there is a lower chance that respondents will misinterpret questions because the interviewer can clarify the instruction of question.

There are only five variables tested in this study, future researchers can include other variables such as family business background (Ahmed et al., 2010), prior business experience (Drost Ellen A., 2010). Personality traits can include other dimensions such as desire to be independent, tolerance for ambiguity, innovativeness (Altinay et al., 2012) to get better research outcomes.

Lastly, future researchers should conduct the research with longer period. This can ensure that they can get consistent result that entrepreneurial intention of individuals can lead to an actual action in the real life.

### **5.6 Conclusion**

This study had made an understanding on the variables (attitude toward the behavior, subjective norm, perceived behavior control, entrepreneurship education and personality traits) that affect students' entrepreneurial intention. In this chapter, it includes summary of statistical analysis and major finding of the hypotheses. A managerial implication is provided to increase students' entrepreneurial intention. The limitations and recommendations are stated to support future researchers. It is important to conduct future research with in-depth knowledge on this topic because

entrepreneurship has a very important position in the hastily changing socioeconomic scenario in the world, and entrepreneurs play an important role in assisting the development of nation as they will help to reduce the unemployment rate.

As a conclusion, researchers hope that this study will provide university students a useful knowledge to understand how one's personal behavior will have an effect on intention to become entrepreneur.

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#### **APPENDICES**

#### APPENDIX A



#### Universiti Tunku Abdul Rahman

#### Dear Respondents,

We are the final year students from Universiti Tunku Abdul Rahman (UTAR) currently pursuing Bachelor of Business Administration (Hons) degree. As part of our coursework for the subject UBMZ 3016 Research Project, we are required to conduct a research survey. The title of our project is "Entrepreneurial Intention: A Study among Students of Higher Learning Institution".

We would be grateful if you could spend a few minutes of your time to complete this questionnaire. We assure you that all information collected is strictly for academic purpose and will be kept confidential. Thank you for your kind assistance.

If there is any doubt, please do not hesitate to contact:

Lim LiYing	10ABB02621	017-4624436	liying0612@gmail.com
Lim Bao Ping	10ABB03623	017-4950671	ping901028@live.com.my
Lee Wei Ni	10ABB03352	012-4155078	winnie_wei90@hotmail.com
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Wong Jia Lih	10ABB03618	016-4950535	qfin90@hotmail.com

This questionnaire consists of 2 parts. Part A is about the personal details of respondents, and Part B is of the factors affecting students' entrepreneurial intention

#### **SECTION A: PERSONAL DETAILS**

Please specify your answer by **placing a tick** ( $\sqrt{}$ ) on the relevant answers provided.

1.	Gender:  □ Male	□ Female
2.	Age Group:  □ Below 20 years old  □ 24 – 26 years old	<ul> <li>□ 21 – 23 years old</li> <li>□ 27 – 29 years old</li> </ul>
	□ 30 years old and above	
3.	Course Currently Pursuing:   Bachelor of Business Administration  Bachelor of Business Administration	•
	☐ Bachelor of Business Administrat	tion (Hons) Banking and Finance
	□ Bachelor of Marketing (Hons)	
	□ Bachelor of Commerce (Hons) A	ccounting
	□ Bachelor of Economics (Hons) Fi	nancial Economics
	□ Bachelor of Finance (Hons)	
4.	Does your family own a business?	
	□ Yes	□ No (Please proceed to Section B)

5.	5. If yes, what type of family business? (Please select <b>ONE</b> only)					
	□ Clothes/Footwear/Accessory	□ Food and Beverage				
	□ Hair Salon/Beauty Care/Spa/Massage	☐ Electronic Appliances/Furniture				
	□ Convenience Store/Grocery Store/Mini-market	□ Laundry				
	□ Motor/Car Repair and Service	□ Others:				
	□ Book Store/Stationery/Photography/Printing and	Photocopy				

# SECTION B: FACTORS THAT INFLUENCE STUDENTS' ENTREPRENEURIAL INTENTION AND SOME GENERAL INFORMATION

Based on your opinion, please indicate the most appropriate response with the scale given below.(1) SD = Strongly Disagree

- (2) D = Disagree
- (3) N = Neutral
- (4) A = Agree
- (5) SA = Strongly Agree

Factors	Factors		D	N	A	SA
Attitude Toward The	Behavior					
2. I'd rather be my ov	vn boss than have a secure job.	1	2	3	4	5
3. A career as entrepr	reneur is attractive for me.	1	2	3	4	5
4. If I had the opportu	unity and resources, I'd like to start a	1	2	3	4	5
5. Being an entrepren me.	eur would entail great satisfactions for	1	2	3	4	5
6. I believe that if I w be successful.	ere to start my business, I will certainly	1	2	3	4	5
Subjective Norm		<b>.</b>				
7. My parents are post	reneur.	1	2	3	4	5
8. My friends see entr	repreneurship as a logical choice for	1	2	3	4	5

9. I believe that people, who are important to me, think that I	1	2	3	4	5
should pursue a career as an entrepreneur.					
10. In my University, students are actively encouraged to	1	2	3	4	5
pursue their own ideas.					
11. There is a well-functioning support infrastructure in my	1	2	3	4	5
University to support the start-up of new firms.					

Factors	SD	D	N	A	SA
Perceived Behavioral Control					
12. To start a firm would be easy for me.	1	2	3	4	5
13. To keep a firm working well is easy for me.	1	2	3	4	5
14. I know how to develop an entrepreneurial project.	1	2	3	4	5
15. If I tried to start a firm, I would have a high probability of succeeding.	1	2	3	4	5
16. If I want, I could become self-employed after my studies.	1	2	3	4	5
17. To start my own firm would probably be the best way for me to take advantage of my education.	1	2	3	4	5
Entrepreneurship Education				<u> </u>	
18. Entrepreneurial subject is very important.	1	2	3	4	5
19. Entrepreneurship should be taught in University.	1	2	3	4	5
20. Entrepreneurship course should be made compulsory in order to stimulate entrepreneurial spirit in campus.	1	2	3	4	5

21. More entrepreneurial and business educational programmes on campus would help students to start businesses.	1	2	3	4	5
22. My University course prepares people well for entrepreneurial careers.	1	2	3	4	5
Personality Traits					
23. I like to try new things. (e.g. exotic food or going to new places)	1	2	3	4	5
24. I tend to use new routes when I travel.		2	3	4	5
25. I will start my own business if I detect an opportunity.		2	3	4	5
26. I am confident of my skills and abilities to start a business.		2	3	4	5
27. I have leadership skills that are needed to be an entrepreneur.	1	2	3	4	5
28. I have mental maturity to be an entrepreneur.	1	2	3	4	5
Factors	SD	D	N	A	SA
<b>Entrepreneurial Intention</b>					
29. I prefer to be an entrepreneur rather than to be an employee in a company.	1	2	3	4	5
30. My professional goal is to become an entrepreneur.	1	2	3	4	5
31. I'm determined to create a firm in the future.	1	2	3	4	5

32. I will make every effort to manage my own firm.	1	2	3	4	5
33. I have a very serious thought in starting my own firm.	1	2	3	4	5



Thank you very much for your participation.

Your time and opinions are greatly appreciated!

#### APPENDIX B

#### **Reliability Test**

#### **Attitude Toward The Behavior**

#### **Case Processing Summary**

		N	%
Cases	Valid	200	100.0
	Excluded <sup>a</sup>	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

#### **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
Cronbach's Alpha	Standardized Items	N of Items
.809	.809	5

#### **Subjective Norm**

#### **Case Processing Summary**

N	%

Cases	Valid	200	100.0
	Excluded <sup>a</sup>	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

#### **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
Cronbach's Alpha	Standardized Items	N of Items
.760	.761	5

#### **Perceived Behavioral Control**

#### **Case Processing Summary**

		N	%
Cases	Valid	200	100.0
	Excluded <sup>a</sup>	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

#### **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
Cronbach's Alpha	Standardized Items	N of Items
.795	.797	6

#### **Entrepreneurship Education**

#### **Case Processing Summary**

		N	%
Cases	Valid	200	100.0
	Excluded <sup>a</sup>	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

#### **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
Cronbach's Alpha	Standardized Items	N of Items
.854	.855	5

#### **Personality Traits**

#### **Case Processing Summary**

		N	%
Cases	Valid	200	100.0
	Excluded <sup>a</sup>	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

#### **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
Cronbach's Alpha	Standardized Items	N of Items
.818	.820	6

#### **Entrepreneurial Intention**

#### **Case Processing Summary**

N	%

Cases	Valid	200	100.0
	Excluded <sup>a</sup>	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

## **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
Cronbach's Alpha	Standardized Items	N of Items
.904	.904	5

#### APPENDIX C

#### **Normality Test**

#### **Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Standardized Predicted Value	200	100.0%	0	.0%	200	100.0%

#### **Descriptives**

			Statistic
Standardized Predicted	Mean		.0000000
Value	95% Confidence Interval for Mean	Lower Bound Upper Bound	1394384 .1394384
	5% Trimmed Mean		.0306483
	Median		.0369127
	Variance		1.000
	Std. Deviation		1.00000000

Minimum	-3.90736
Maximum	2.35693
Range	6.26429
Interquartile Range	1.08683
Skewness	534
Kurtosis	1.114

## **Descriptives**

			Std. Error
Standardized Predicted	Mean		.07071068
Value	95% Confidence Interval for Mean	Lower Bound Upper Bound	
	5% Trimmed Mean		
	Median		
	Variance		
	Std. Deviation		
	Minimum		
	Maximum		
	Range		
	<u>_</u>		

Interquartile Range	
Skewness	.172
Kurtosis	.342

## **Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Standardized Predicted Value	.061	200	.065	.978	200	.003

a. Lilliefors Significance Correction

#### APPENDIX D

#### **Pearson Correlation Coefficient Analysis**

#### **Correlations**

		att	sn	pbc	ee	pt	ei
att	Pearson	1	.567**	.407**	.373**	.586**	.713**
	Correlation						
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200
sn	Pearson	.567**	1	.464**	.515**	.447**	.439**
	Correlation						
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	200	200	200	200	200	200
pbc	Pearson	.407**	.464**	1	.292**	.531**	.416**
	Correlation						
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200
ee	Pearson	.373**	.515**	.292**	1	.374**	.410**
	Correlation						
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200

pt	Pearson	.586**	.447**	.531**	.374**	1	.690**
	Correlation						
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200
ei	Pearson	.713**	.439**	.416**	.410**	.690**	1
	Correlation						
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	200	200	200	200	200	200

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

#### **APPENDIX E**

#### **Multiple Linear Regression Analysis**

#### Variables Entered/Removed<sup>b</sup>

Model	Variables Entered	Variables Removed	Method
1	pt, ee, pbc, att, sn		Enter

a. All requested variables entered.

b. Dependent Variable: ei

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.795ª	.632	.622	2.43644

a. Predictors: (Constant), pt, ee, pbc, att, sn

b. Dependent Variable: ei

## **ANOVA**<sup>b</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.

1	Regression	1973.869	5	394.774	66.502	$.000^{a}$
	Residual	1151.631	194	5.936		
	Total	3125.500	199			

a. Predictors: (Constant), pt, ee, pbc, att, sn

b. Dependent Variable: ei

#### **Coefficients**<sup>a</sup>

		Unstandardized				
		Coeffi	cients			
Model		В	Std. Error			
1	(Constant)	-3.297	1.291			
	att	.599	.075			
	sn	090	.073			
	pbc	.015	.058			
	ee	.136	.059			
	pt	.438	.066			

## **Coefficients**<sup>a</sup>

		Standardized Coefficients			Collinearity Statistics	
Model		Beta	t	Sig.	Tolerance	VIF
1	(Constant)		-2.553	.011		
	att	.474	7.990	.000	.539	1.854
	sn	074	-1.235	.218	.530	1.888
	pbc	.014	.263	.793	.654	1.529
	ee	.120	2.318	.021	.708	1.413
	pt	.393	6.625	.000	.541	1.850

a. Dependent Variable: ei

#### APPENDIX F

# Summary of past studies on the relationship between Attitude Toward The Behavior and Entrepreneurial Intention

Author (s)	Sampling	Targeted Respondent	Major Findings
	Location /		
	Country		
Kolvereid and	Universities in	Russian Students	Attitude is significantly
Tkachev (1999)	St.Petersburg,		correlated with
	Russia		entrepreneurial intention
Krueger et al.	-	Students	Attitude toward the act
(2000)			was correlated with
			Entrepreneurial intention
Scholten et al.	Dutch	Dutch scientists in the	The results show a very
(2004)		'life sciences'.	strong influence of attitude
			on intention is directly
			clear.
Frazier and	Midwestern	Undergraduate	Positive attitudes relating
Niehm (2006)	universities	students enrolled in	to the desirability of
		courses in the	entrepreneurship as a
		department of Family	career choice, and
		and Consumer	confidence in the ability to
		Sciences	succeed in creating a new
			venture appear to predict
			stronger levels of
			entrepreneurial intention in
			this sample.

Leong (2008)	Open University	OUM students from	There is a significant
	Malaysia	the business	relationship between the
		administration degree,	attitude toward a given
		Master of	behavior with
		Management and	entrepreneurial intention.
		Master of Business	
		Administration	
Walter and	Germany	Student	There is a positive and
Dohse (2009)		representatives	significant relationship
			toward entrepreneurial
			intentions.
Pa ço et al.	Spain and	Secondary Students	Personal Attitude has the
(2011)	Protugal		most important effect on
			EI, with a very large
			positive value. The results
			also confirmed that
			personal attitudes are very
			important to explain the
			Entrepreneurial intention.

# Summary of past studies on the relationship between Subjective Norm and Entrepreneurial Intention

Author (s)	Sampling	Targeted Respondent	Major Findings
	Location /		
	Country		
Kolvereid	Norwegian	First-year	Subjective norm contribute
		undergraduate	significant to explanation

(1996a)	business school	students	of intentions.
Reitan (1997)	Three	People from the	Social norm is
	Norwegian	National Register of	insignificant with
	countries	Norway	entrepreneurial intention.
Kolvereid and	One medical and	University students	Subjective norm is
Tkachev (1999)	two technical		significant with self-
	universities in		employment status choice
	St. Petersburg,		intention.
	Russia		
Krueger et al.	-	Senior university	Subjective norm is
(2000)		business students	insignificant with
		currently facing	intention.
		important career	
		decision	
Autio et al.	Finland ,USA	University students	Subjective norm is
(2001)	and the UK,		insignificant with
	London		entrepreneurial intention.
Li ñán (2004)	University of	Last year subjects	Social norm is
	Seville and	students	insignificant with
	University of		entrepreneurial intention.
	Jaen		
Kolvereid and	-	Norwegian business	Subjective norm is
Isaksen (2006)		founders	significant with self-
			employment intention.
Li ñán and Chen	Spain (Pablo	University students	Subjective norm is
(2009)	Olavide, Jaen,		insignificant with

	Seville.		entrepreneurial intention.
	Universities)		
	and Taiwan		
Yordanova and	Two Bulgarian	University students of	Subjective norm is
1 Ordanova and		Offiversity students of	, and the second
Tarrazon	Universities	Economics or	significant with
(2010)		Business	entrepreneurial intention.
		Administration	

# Summary of past studies on the relationship between Perceived Behavioral Control and Entrepreneurial Intention

Author (s)	Sampling Location / Country	Targeted Respondents	Major Finding
Chen et al. (1998)	-	-	PBC contributes positively towards the students' entrepreneurial intentions.
Kristiansen and Indarti (2004)	Agder University College (AUC) in Kristiansand, Norway. Gadjah Mada University (UGM) in Yogyakarta, Indonesia	251 respondents which comprise of 130 Indonesian students and 121 Norwegian students.	PBC has significant and positive influence towards students' entrepreneurial intention.
Zaidatol Akmaliah Lope Pihie (2009)	Three research universities in Malaysia	1554 university students regardless their courses in Universities.	PBC has positive influence towards entrepreneurial intentions. Students who need entrepreneurial

			exposure score higher mean in PBC.
Paco et al. (2011)	Portugal	Two secondary student's classes aged between 14 and 15 years old.	PBC has positive influence towards the students' entrepreneurial intentions.
Kolvereid (1996)	Norwegian business school, Norway	Candidates graduated from Master in Business Administration.	PBC is having a significant relationship with the entrepreneurial intention.

# Summary of past studies on the relationship between Entrepreneurship Education and Entrepreneurial Intention

Author (s)	Sampling Location / Country	Targeted Respondent	Major Finding
Izedonmi and Okafor (2010)	Nigerian	250 entrepreneurship course students	Entrepreneurship education is capable of provoking entrepreneurial intention.
Clouse (1990)	UK	47 entrepreneurship students	Entrepreneurship course can stimulate students to new venture creation.
Izquierdo and Buelens (2008)	USA	236 entrepreneurship students	Entrepreneurial self- efficacy mediates relationship between students' perceived competencies and entrepreneurial intention.
Ahmed et al. (2010)	Pakistan	276 university students	Education inclined students' entrepreneurial intention.

Ooi et al. (2011	Northern region of Peninsular Malaysia	500 university students	Entrepreneurship education positive correlated with entrepreneurial intention.
Fayolle and Gailly (2004)	Belgium	-	Entrepreneurship education positive correlated with entrepreneurial intention.
Tam (2009)	California	University students	Entrepreneurship education positive correlated with entrepreneurial intention.
Gelard and Saleh (2011)	Islamic Azad University, South Tehran Branch	200 university students	Entrepreneurship education positive correlated with entrepreneurial intention.
Peterman and Kennedy (2003)	Australia	Secondary students	Entrepreneurship education positive correlated with entrepreneurial intention.
Lee et al. (2005)	US and Korea	College students	Entrepreneurship education positive correlated with entrepreneurial intention.
Matlay (2008)	Birmingham, UK	64 graduate entrepreneurs	Entrepreneurship education positive correlated with entrepreneurial intention.
Ekpoh and Edet (2011)	Nigeria	500 students from universities in Akwa Ibom and Cross River States	Entrepreneurship education positive correlated with entrepreneurial intention.
Zhou et al.	Hangzhou,	College students	Entrepreneurship education can help to

(2012)	China		reduce risks.
Drost Ellen (2010)	Finland	168 business course students	Entrepreneurial self- efficacy mediates relationship between entrepreneurship education and entrepreneurial intention.
Wang and Wong (2004)	Singapore	5326 undergraduates	Entrepreneurship education negative correlated with entrepreneurial intention.
Oosterbeek and Ijsselstein (2010)	Netherlands	-	Entrepreneurship education negative correlated with entrepreneurial intention.
Göksel and Aydintan (2011)	Turkey	175 business administration students	Entrepreneurship education negative correlated with entrepreneurial intention.
Graevenitz et al. (2010)	Germany	357 students	Entrepreneurship education negative correlated with entrepreneurial intention.

# Summary of past studies on the relationship between Personality Traits and Entrepreneurial Intention

Author (s)	Sampling	Targeted Respondent	Major Finding
	Location /		
	Country		
Hay et al.	Kansas,	Entrepreneurs	People with internal locus
	Oklahoma and		of control will able to

(1990)	Missouri.		control their life, while
			people with external locus
			of control will depends on
			chance, luck. The result of
			the research shows that
			internals and externals
			have same level in success
			of venture, and similar in
			most personal
			characteristics.
Carland et al.	Southeastern	A group of Managers	Entrepreneur has high risk
(1995)	United States.	and owners or	taking propensity
		working people.	compared to managers or
			small business owners.
			Young people are able to
			accept in high level of risk
			taking propensity.
Cools and Eligue	Haarlem School	Dutch reamondants	Need for achievement is
Sagie and Elizur		Dutch respondents –	
(1999)	of Economics	students of small	important factor to affect
		business and students	entrepreneurial behavior.
		of business and	Students of small business
		economics	have higher achievement
			toward entrepreneurial
			orientation compared to
			students of business and
			economics.
Littunen (2000)	Firms in Finland	Entrepreneurs	From this study, they show
			that high performance in

			challenging tasks and
			innovativeness in finding
			better ways to enhance
			their performance in
			successful of new firm.
Millet (2005)	Sweden	People between aged	From the research, they
		18 to 55	get the result that person
			with internal locus of
			control will more active
			and more understanding
			than people with external
			locus of control.
Gürol and Atsan	Turkish	University students	Person who have tendency
(2006)	University		of entrepreneurship will
			have more internal locus
			of control. It has
			significant impact on
			entrepreneurial intention.
Nishantha	University of	Business Management	The result showing that the
(2009)	Colombo, Sri	undergraduates	greater need for
	Lanka.	students	achievement, greater
			internal locus of control
			and risk taking propensity
			will lead to a positive
			attitude on entrepreneurial
			intention.
Zain et al.	Malaysian	Undergraduates	The result of the study
	Public		indicates that personality

(2010)	University	Students	traits are significant
			toward entrepreneurial
			intention. They found that
			the individual's thinking
			and behaviors have
			influence them to become
			an entrepreneur.
Khan et al.	Pakistan	University students	They found that internal
(2011)			locus of control has related
			to entrepreneurial
			intention, however, the
			result show that the
			respondents have internal
			locus of control are depend
			on luck and government
			intervention on Pakistan.
Göksel and	Turkey, Ankara	Business	From the study, the result
Aydintan		administration	showed that greater need
(2011)		students	for achievement had led to
			high entrepreneurial
			intention. They have high
			motivation to improve in
			their work efficiency.
Tong et al.	Local University	University Students in	Need for achievement has
(2011)	in Malaysia	4 Universities in	significant relationship
		Malaysia	toward entrepreneurial
			intention. With a greater
			need for achievement,

			higher chances for them to participate in
			entrepreneurial activity.
Altinay et al.	United Kingdom	University Hospitality	The result shows that need
(2012)		Students	of achievement and risk
			taking is not significant
			toward entrepreneurial
			intention. It is because of
			influences of family
			background.
Zali et al. (n. d.)	34 countries –	Adults (18-64 years	The result shows that risk
		old) in 34 countries.	taking has significant
			impact on entrepreneurial
			intention. There are high
			entrepreneurial intentions,
			no matter what is the
			nationality of the person.

#### APPENDIX G

## Test Subjective Norm by Removing Questions

Subjective Norm Question Removed	Multiple Linear Regression Analysis Sig.	Result
Question 1	0.213	Insignificant
Question 2	0.222	Insignificant
Question 3	0.169	Insignificant
Question 4	0.355	Insignificant
Question 5	0.271	Insignificant
Question 1, 2	0.226	Insignificant
Question 1, 3	0.161	Insignificant
Question 1, 4	0.367	Insignificant
Question 1, 5	0.258	Insignificant
Question 2, 3	0.174	Insignificant
Question 2, 4	0.381	Insignificant
Question 2, 5	0.274	Insignificant
Question 3, 4	0.294	Insignificant
Question 3, 5	0.206	Insignificant
Question 4, 5	0.513	Insignificant