

Entrepreneurial Intentions among Business Students in Batangas State University

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Abstract- *This study focused on Entrepreneurial Intention among Business Students in Batangas State University based on their entrepreneurial capabilities and skills. The descriptive method of research was utilized in the conduct of the study. The study revealed that majority of the respondents have no family business, belongs to middle income group and management major students. Further, it was found out that most of the students agreed that they possess entrepreneurial intentions, skills and capabilities. It was also found out that entrepreneurial intention is not affected by the profile variables. It only shows that the entrepreneurial intention of the students is independent with that of their profile variables.*

Keywords - *Entrepreneurial Intention, Business Students, BSU*

I. INTRODUCTION

Students of today's generation are the future entrepreneurs of the country. Entrepreneurship is perceived to bring economic welfare and may contribute significantly in nation's future wealth. It is undeniably obvious that unemployment rate in the Philippines is constantly increasing. Many college graduates are unable to find jobs appropriate with the degree they finished. Entrepreneurship education has been acknowledged by many organizations and even the government as a promising way to improve the work insertion of young people and, at the same time, contribute to social and economic welfare. Entrepreneurship creates jobs which consequently generate more opportunities.

Entrepreneurship is timeless. From the very young to very old, people are starting new business at a rapid rate. One cause of the sudden increase of new entrepreneurs is the current trend of professionals who leave their companies to start putting their own businesses. They believe in modern days that being just an employee is not enough to meet their needs. Most employees are not satisfied with the salaries they get from their employers. Thus, they bind themselves looking for— as many are doing now they start their own

company, using the expertise they learned from their previous employers. The main factor contributing the interest of professionals to engage in entrepreneurship is the high unemployment rate in the Philippines. This situation awakens the minds of potential entrepreneurs as a possible solution to this problem.

According to the World Economic Forum which released the rankings of "Global Competitiveness Report" for 2011 to 2012, the Philippines ranked 161st among other countries in terms of entrepreneurship. Although its neighboring countries such as Malaysia, Singapore, Vietnam and Thailand notched a higher place, there are still successful entrepreneurs in the country. In the Philippines, entrepreneurship is a great opportunity considering that it gives jobs to number of people and eventually, lessens unemployment rate in the country.

It is well known that a career in entrepreneurship offers significant opportunities for individuals to achieve financial independence and benefit the economy by contributing to job creation, innovation, and economic growth. Today's students are tomorrow's potential entrepreneurs, which may explain why a growing number of universities offer courses and programs in entrepreneurship. However, there is little

understanding of the factors that affect students' intentions of becoming entrepreneurs and the relationship between entrepreneurship education and students' entrepreneurial attitudes and intentions (Souitaris et al 2007).

Entrepreneurship is a key driver in Philippine economy. Wealth and a high majority of jobs are created by small businesses started by entrepreneurially minded individuals, many of whom go on to create big businesses. People exposed to entrepreneurship frequently express that they have more opportunity to exercise creative freedoms, higher self-esteem, and an overall greater sense of control over their own lives. In Batangas State University, many students are engaged in small scale business like direct selling of Avon, Natasha, Boardwalk, Sophie etc. which only require small amount of capital to start. They earn from the commission they got from every item sold.

With the aim of identifying the determinants of entrepreneurial interest of students, the researcher got interested in testing the entrepreneurial intention and capabilities of students as basis for enhancement. Further, this study provided insights on the context of entrepreneurial capabilities of students.

II. OBJECTIVES OF THE STUDY

This study aimed to assess the entrepreneurial intentions among Business Students in Batangas State University. More specifically, this study aimed to describe the profile of the respondents; assess entrepreneurial intentions and capabilities of the respondents; to test relationship between the profile and entrepreneurial intention and to provide insights in the context of entrepreneurial capabilities.

III. REVIEW OF LITERATURE

Entrepreneurship has found its way into the education institution curriculum and there is an increasing focus on entrepreneurship education in non-business courses and extra-curricular settings (EC, 2008). Entrepreneurship education is a central strategy at education institutes to foster Entrepreneurial intentions among students (Linan 2004). The essential requirement behind this plan is that Entrepreneurship is both teachable and learnable.

Entrepreneurship is one of the skills included in the Institutional Intended Learning Outcomes of the Lyceum of the Philippines University wherein the students would be able to engage in projects and activities using basic knowledge and skills in business management, entrepreneurship and finance

management (Laguador, 2013). In his study, it was found out that the variables Goal setting, Information seeking and Persistence are the Personal Entrepreneurial Competencies where the students obtained high scores.

In addition, Resurrection (2011) suggests that entrepreneurship has been considered by lot of developing and underdeveloped countries as one possible solution to address poverty issues. Many governments have not been remiss in initiating programs and campaigns to promote entrepreneurial activities especially among the young to encourage them to be an active contributor to the thrust of poverty alleviation. Despite of these efforts mindsets of students still appear to be focused on corporate employment. This study has inquired into possible factors influencing entrepreneurial attitudes and ultimately their intentions to pursue entrepreneurial career.

Pihie (2009) indicated that the students had moderate score on all constructs related to entrepreneurial intention and entrepreneurial self-efficacy in the aspects of management, financial and marketing. Moreover, students with positive entrepreneurial aspiration scored higher in entrepreneurship intention and self-efficacy which is significantly different from those who do not have positive aspiration. The students also scored moderately on attitudes towards entrepreneurial career and perceived behavioral control. The findings also indicate that those who perceived entrepreneurship need to be learnt at university have significantly higher mean score on attitudes towards entrepreneurial career as well as perceived behavioral control.

The study of Saravanakumar, et. al. (2012), suggests that the students had lower performance scores on all of the measures, suggesting a somewhat lower propensity to be entrepreneurial. The findings indicate the challenge facing in management education if they are to create entrepreneurs as, increasingly, appears to be required.

Similar to this line of research, Wang, et. al. (2011) proposes that there is entrepreneurial intention among international students, and that a large portion of these students have rather strong entrepreneurial intention. This study may bring more awareness for educators so they can help nurture the valuable spirit among this special group and thus possibly bring out more entrepreneurs. In addition, this study has shown that perceived feasibility is a stronger predictor of entrepreneurial intention than personal desirability; therefore, university educators may want to enhance

perceived feasibility if they intend to increase the level of entrepreneurial intention.

Grassl et al. (2005), states that among business students, it is largely personality factors (and among these mainly a proactive attitude and achievement motivation) together with the perceived feasibility that determine intention. How students perceive the difficulty and chances of success outweighs desirability as a determinant of intention although the mean values for desirability are higher than for feasibility. Because of a high standard deviation on desirability, it contributes less to explaining intention, which speaks to the realism of students. Variables reflecting personal and family situations make also only relatively weak contributions to explaining intention.

Kuehn (2008) suggests that it seems clear that there are a number of practical ways for educators to influence student attitudes and intentions toward entrepreneurship, most of which are relatively easily accomplished in a college/university setting. Several questions remain, however, as to impacts of these experiences on intentions and actual new business start-ups and the degree that the pedagogical approaches can impact these outcomes.

Personality traits played an important role in influencing the students' decision to become entrepreneurs. The findings implicated that academics needed to play a significant role in encouraging more students to become entrepreneurs by providing more awareness on the benefits of becoming entrepreneurs and in turn, contributing to the growth of the country's economies and global competitiveness (Akram et al., 2010).

Further, Ahmed et. al. (2010) emphasized that the overall respondents are moderately interested to opt for entrepreneurial venture in the future. That, one can't differentiate entrepreneur from non-entrepreneur on the basis of age, gender or entrepreneurial study background, as the findings suggest, there is no significant relationship between these variables and intentions to become entrepreneur. But family background and level of education matter while intending to become an entrepreneur. Students in senior classes are more inclined towards entrepreneurship that might be because of their increased knowledge and practical exposure with the field and the market. Similarly, students with entrepreneurial experience, whether with their experience or their family experience, are more inclined towards entrepreneurial career that might be due to vigilance with the market

and business and their knowledge regarding changing trends of market.

IV. METHODS

Research Design

The study used descriptive design using a survey questionnaire to describe the profile of students in Batangas State University Main Campus I. This study aimed to provide a description of relationship among the following variables: demographic profile and entrepreneurial intentions of students. This research design was chosen because it can provide essential knowledge about the subject under study as well as its relationship with each other.

Participants

The participants of the study were randomly selected from the total population of third year business students in Batangas State University Main Campus I. Fifty (50) students were carefully chosen to become the respondents.

Instrument

The study used a modified Entrepreneurial Intention Questionnaire (EIQ) of Linan and Chen (2009). The questionnaire was divided into three parts. Part one consisted of the profile of the respondents with four items, part two included twenty (20) items entrepreneurial intentions and part three contained six (6) items about their assessment regarding their entrepreneurial capabilities and skills.

Procedure

In order to obtain necessary data, the researcher used a survey questionnaire. A letter of request to conduct the study together with the three-part questionnaire was sent to business administration department of Batangas State University. The questionnaires were distributed to the randomly selected business students.

Data Analysis

The data gathered were tallied and interpreted using different statistical tools such as frequency and percentage; weighted mean and Chi-Square test. The mentioned tools were used based on the objectives of the study. All data was also supported using PASW version 18 to further analyze the results using 0.05 alpha level. In order to interpret the result of the study, this scale was used: 3.50-4.00 = Strong Agree; 2.50 – 3.49 = Agree; 1.50 – 2.49 = Disagree; 1:00 – 1:49 = Strongly Disagree

RESULTS AND DISCUSSIONS**Table 1. Percentage Distribution of the Respondents' Profile (N = 50)**

	f	%
Entrepreneurship inclination		
Marketing	21	42
Franchising	4	8
Advertising	16	32
Selling	9	18
Family background		
Without Family Business	31	62
With Family Business	19	38
Family income		
P 10,000 – P 14, 999	19	38
P 15,000 – P 19,999	12	24
P20,000 – P 24,999	5	10
P 25, 000 – P 29,999	4	8
P30, 000 and above	6	6
Course major		
Marketing	15	30
Finance	10	20
Economics	8	16
Management	17	34

There were 50 respondents who are business administration students. Of these, 21 or 42 percent respondents has marketing inclination, franchising 4 or 8 percent, advertising 16 or 32 percent and selling which is 9 or 18 percent. Also, 31 or 62 percent of the students came from a family without business and 19 or 38 percent respondents have existing family business. Also, it showed that most of the respondents have a monthly family income with the ranging from P10,000 – P14,999 and that most of them are students major in management.

Most of the respondents are inclined to marketing due to their age and status unlike other item which require capitalization and at the same time need skills and competencies which ordinary students are not yet capable of. With regard to the family background, most of the students have no family businesses but they have strong entrepreneurial intentions. Also with respect to their course major, respondents are mostly management students. They are likely to go into entrepreneurship because their knowledge about running and managing their own business are being developed during the entire course program.

Table 2. Assessment of the Respondents on their Entrepreneurial intentions (N = 50)

Entrepreneurial Intention	WM	VI
1. Starting a firm and keeping it viable would be easy for me	3.02	Agree
2. A career as an entrepreneur is totally unattractive to me	2.32	Disagree
3. My friends would approve of my decision to start a business	2.74	Agree
4. I am ready to do anything to be an entrepreneur	3.48	Agree
5. I believe I would be completely unable to start a business	3.06	Agree
6. I will make every effort to start and run my own business	3.58	Strongly Agree
7. I am able to control the creation process of a new business	3.16	Agree
8. My immediate family would approve of my decision to start a business	2.96	Agree
9. I have serious doubts about ever starting my own business	2.62	Agree
10. If I had the opportunity and resources, would love to start a business	3.68	Strongly Agree
11. My colleagues would approve of my decision to start a business	3.06	Agree
12. Amongst various options, I would rather be anything but an entrepreneur	3.16	Agree
13. I am determined to create a business venture in the future	3.36	Agree
14. If I tried to start a business, I would have a high chance of being successful	3.40	Agree
15. Being an entrepreneur would give me great	2.72	Agree
16. It would be very difficult for me to develop a business idea	2.78	Agree
17. My professional goal is to be an entrepreneur	3.22	Agree
18. Being an entrepreneur implies more advantages than disadvantages to me	2.88	Agree
19. I have a very low intention of ever starting a	2.94	Agree
20. I know all about the practical details needed to start a business		
Composite Mean	3.08	Agree

With regards to the assessment of students on their entrepreneurial intentions, data reveal that most students believed that if they have enough resources, they would love to start a business. This item achieved a weighted mean of 3.68. Most of them believed that they really need to consider whether they have enough resources to start and run their own business. Starting an owned business is not an easy task. There are people who are very gifted who easily manage this kind of undertaking.

The next item states that they will make an effort to start and run their own business get a weighted mean of 3.58. This means that if they gather all the necessary resources, they do their best in order to succeed. They integrated all the learning they have and the talents innate to them.

Item number 3 which states that a career as an entrepreneur is totally unattractive to the students has the lowest weighted mean of 2.32. This only reveals that most of the students really want to become an entrepreneur and entrepreneurship is totally an attractive career for them. Many students perceived that being the own boss of their company is a very rewarding job. It is not only practising their talents but also helping those people who need jobs.

With the students having expressed their views about their own entrepreneurial intentions, they agreed that if only they have opportunity and if only the needed resources are available, they would likely go into entrepreneurship considering that entrepreneurship is an attractive career for them. Moreover, it is clearly stated that most of the students have strong entrepreneurial intentions as results showed that they will make an effort to start and run their own business.

Table 3. Entrepreneurial Capabilities and Skills

Item	WM	VI
Recognition of opportunity	3.04	Agree
Creativity	3.16	Agree
Problem solving skills	3.14	Agree
Leadership and communication skills	3.18	Agree
Development of new products and services	2.96	Agree
Networking skills and making professional contacts	2.94	Agree
Composite Mean	3.07	Agree

With respect to how the respondents rate themselves with several entrepreneurial skills and capabilities it showed that many students believed that creativity is very significant skill needed to become entrepreneur; on the other hand networking skill and

making professional contact which got the weighted mean of 2.94 is believed to be the least capability/skill an entrepreneur must possess.

Most of the students agreed that they need to be creative and have good communication skills to start and manage their own business. Respondents also agree that they still need to improve their skills with respect to networking skills and making professional contacts.

Liñan (2008) suggests that there is a strong case, for developing skills such as opportunity recognition, creativity, problem solving, leadership and communication, innovation and networking. They are needed for successful entrepreneurship, but not only for that career option. Therefore, the inclusion of specific contents in the education system would be an obvious policy action to be taken. For the particular case of entrepreneurship education, these contents would be a very important complement to the more widespread business-plan course.

Table 4. Relationship between the Respondents Entrepreneurial Intention and Profile Variables

Profile variables	Computed values	p-values
Entrepreneurship inclination	4.65	.20*
Family background	0.63	.43*
Family Income	1.67	.89*
Course major	2.38	.50*

*Not Significant

Table 4 shows that the profile of the respondents with respect to entrepreneurial inclination, family background, family income and course major which have no significant relationship with the entrepreneurial intention of the students. Also, it reveals that the entrepreneurial intentions of the students are based on their aspirations and perceptions on what they want to become in the future.

Results showed that entrepreneurial intentions of the students are independent with regard to the profile of the respondents given and that their entrepreneurial inclination, family background, family income and course major are not related with their entrepreneurial intentions.

Studies show that some variables might also affect entrepreneurial intention. For example, it is traditionally assumed that women have lower inclination to self-employment than men. The underlying argument of this assumption has been the greater number of male entrepreneurs, when compared to their female counterparts. However, especially during the recent

years, entrepreneurship has been increasingly popular among women as well (Turker & Selcuk 2008).

CONCLUSIONS & RECOMMENDATIONS

Majority of the students have marketing entrepreneurial inclination, without family business middle income earner and management major. Most of the students agreed that they possess entrepreneurial intention and capabilities. Entrepreneurial intentions of the respondents are not affected by the profile variables. The leadership skills, creativity and problem solving skills are factors that are contributory to entrepreneurial capabilities and skills of the students.

The students may engage in small scale business to develop their entrepreneurial capabilities. The management of the university may provide more training and seminars on entrepreneurial intention for students and faculty members. Other researchers may conduct similar study using other variables not covered in this study.

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