

## **AN EXPLORATORY STUDY AMONG MANAGEMENT STUDENTS IN ENTREPRENEURIAL INTENTION AND ENTREPRENEURIAL ORIENTATION**

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### **ABSTRACT**

The empirical substantiation is inconsistent as to what predicts an existent's decision to start a business. This study uses a frame involving an existent's entrepreneurial intent and entrepreneurial exposure as means to understand the reason for entrepreneurial speculations. An existent's intent to pursue an entrepreneurial career can influence from the terrain around them or particular factors. This study analyzes the entrepreneurial intent and exposure situations among the scholars of MBA with a sample size of 42 and anatomized using factor analysis to know the Entrepreneurial exposure, measured grounded on Proactiveness, Risk Taking and Innovation.

The empirical results show that entrepreneurial exposure is appreciatively related to individual differences factors and entrepreneurial intent. Indeed more, it completely or incompletely mediates the connections between the individual differences and entrepreneurial intent. Occasion recognition seems to be the stylish predictor of an existent's entrepreneurial exposure and entrepreneurial intent. Unborn exploration should further examine occasion recognition and entrepreneurial exposure. It appears that trying to insulate goods of individual differences from environment can be a feasible strategy for studying determinants of new adventure creation.

### **KEYWORDS**

*Entrepreneurial Orientation, Entrepreneurial Intent, Innovativeness, Proactiveness, Risk-taking.*

### **Introduction**

Entrepreneurship plays an important capacity in the creation and growth of businesses, as well as in the growth and substance of regions and nations. These large-scale issues can have relatively humble onsets; entrepreneurial conduct begin at the nexus of an economic occasion and an enterprising individual. Entrepreneurial openings are “those situations in which new goods, services, raw accoutrements, and organizing styles can be introduced and vended at lesser than their cost of product.” For illustration, entrepreneurial occasion could stem from introducing technological product used in one request to produce a new request. Alternately, an entrepreneurial occasion could be creating a new technological product for a request or creating both a new product/ service and a new request. The recreating theme is that an entrepreneurial occasion which represents commodity new. Still, similar possibilities bear an enterprising individual or a group of enterprising individualities to fete, estimate, and exploit these situations as possible openings. Thus, entrepreneurship requires action —

entrepreneurial action through the creation of new products/ processes and/ or the entry into new requests, which may do through a recently created association or within an established Association. Entrepreneurs act on what they believe is an occasion. Because openings live in (or produce and/ or induce) high query, entrepreneurs must use their judgment about whether or not to act. Still, mistrustfulness can undermine entrepreneurial action.

### **Review of literature**

The amount of research on entrepreneurship has grown dramatically over the past two decades, with the recognition of new ventures as major contributors to job creation and economic growth (Amit et al., 1995). This interest is reflected in a rising number of researchers, an increasing number of conferences and journals in the field, and the establishment of many entrepreneurship research centres (Landström, Frank & Veciana, 1997; Ireland et al., 2005). The study of the entrepreneur, probably one of most important parts of entrepreneurship, has been recognized not only as a critical source of information about the various activities associated with a new venture, but also as a more general source of information about innovation and creativity within organizations (Greenberger & Sexton, 1988). Individual differences of entrepreneurs and the contexts which provide favourable or unfavourable environments for entrepreneurial activities have been of particular interest in past research (Brockhaus, 1982; Pennings, 1980, 1982a, 1982b). The study of individual differences attempts to identify those individuals who are or could become entrepreneurs. Individual differences include psychological traits (e.g., need for achievement, risk-taking propensity) and non-psychological traits (e.g., marital status, education level). Both psychological and non-psychological traits have been used in attempts to differentiate entrepreneurs from non-entrepreneurs (Brockhaus, 1982). Contextual factors refer to features of environments which, if favourable enough, will contribute to the creation of the new businesses, or if not, will impede the development of new businesses. The main obstacles to studying the factors that influence entrepreneurial activities are the low rate of new venture creation and influence of individual preference. Many businesses are started every year only a few actually start their own business. Entrepreneurial intent is defined as an individual's intention to create a new venture in the near future.

Entrepreneurial exposure is defined as an existent's station towards engaging in entrepreneurial conditioning, be it within an being establishment or creating a new adventure. This station could be either favourable or unfavourable. The variables tested in this study include the three confines put forth by Miller (1983) and Waikund (2004) making the variables used to measure EO come three, Ingeniousness, Proactiveness and Threat-taking. The people who generally exceed at occasion recognition are the right- brain creative type people. These people are clever and look at the same situations that everyone differently does, but fantasize commodity different. They see new angles, new possibilities, and new ways to do effects. Occasion recognizers truly suppose outside the box, stretch the limits, and are combinatorial in non-traditional ways. While the occasion recognition phase is pivotal when beginning a new enterprise, it's important to seek new openings throughout the entire continuance of any enterprise. To stay ahead and on top of the request, companies must constantly fete occasion as they continue to grow and evolve.

Threat taking is conceptualized as an existent's exposure toward taking chances in a situation that warrants decision timber. (Sexton and Bowman, 1985). In classic proposition, threat is viewed as a function of the variation in the distribution of possible issues, the associated outgrowth liability and their private values, with the decision choice containing threat and anticipated price trade-offs (March & Shapira, 1987). Khilstrom and Laffont, (1979) has editorialized that when brazened with query, it's an existent's predilection toward threat that affects the decision to pursue an entrepreneurial career. Threat taking involves taking bold conduct by venturing into the unknown, adopting heavily, and/ or committing significant coffers to gambles in uncertain surroundings. (Miller, 1983).

Kropp et al (2005) defines Proactiveness as that dimension of EO that makes the entrepreneur more occasion- seeking and forward looking and that involves introducing new products/ services and acting in expectation of unborn demand. This also includes the capability of a establishment to enter the import request. It is, in exploration parlance, inclusive of all conditioning that intend to identify openings, request trends, assessing the strengths and sins. (Kropp, Lindsay, and Shoham, 2004; Yeoh and Jeong, 1995) Proactiveness is an occasion- seeking, forward- looking perspective characterized by the preface of new products and services ahead of the competition and acting in expectation of unborn demand.

### **Significance of the Study**

A growing body of exploration emphasizes the part of entrepreneurs and the development of a vibrant small and medium enterprise sector in the process of profitable development (World Bank, 2003). Entrepreneurship exploration started roaring in the United States lower than twenty times ago, as substantiated by the publications on premier academic journals. There exists a large quantum of literature on entrepreneurship in the operation literature devoted substantially to advanced bucolic countries.

As entrepreneurship is only arising in transition husbandry (and it's veritably inversely developed in developing countries), experimenters are suitable to observe “ out-of-steady-state” marvels and regard at the development of entrepreneurship. From this perspective, the study of entrepreneurship intent amongst scholars might be more meaning.

### **Exploration Methodology**

The slice frame used for the study was questionnaires. The questionnaires were distributed to 50 arbitrary scholars and their inclination towards Entrepreneurship was recorded for farther analysis. The questionnaires were followed up by an interview and only 42 repliers gave complete details and therefore the response rate was 84. This study was examined among the scholars in operation convert during the period from November 2021 till February 2022. To understand the entrepreneurial exposure and entrepreneurial intent from the responses collected factor analysis is experimented to arrive at the anticipated factors.

## Results and discussion

The questions intended to analyse the entrepreneurial orientation and intent levels among the students. 64.28% of the respondents were men 35.71% of them were women. 23.81% were between the age of 16-20 while 73.81% were from the age group of 21-25 and 2.3% of the respondents were from the age of 26-30.11.9% of the respondents were doing a part time job.

**Table 1: Summary of questionnaire**

| SL NO | PARTICULARS   | STRONGLY DISAGREE | DISAGREE | NEITHER DISAGREE NOR AGREE | AGREE | STRONGLY AGREE | TOTAL |
|-------|---|-------------------|----------|----------------------------|-------|----------------|-------|
| 1     | I can recognize opportunities that are available to me even though I do not have personal experience. | 1                 | 13       | 14                         | 7     | 7              | 42    |
| 2     | I am opportunistic by nature.   | 2                 | 0        | 7                          | 20    | 13             | 42    |
| 3     | I try to utilize all the opportunities available to me.   | 0                 | 3        | 14                         | 17    | 8              | 42    |
| 4     | I like to initiate or introduce anything new.   | 0                 | 0        | 1                          | 25    | 16             | 42    |
| 5     | I like to be ahead of my competitors.   | 2                 | 0        | 7                          | 20    | 13             | 42    |
| 6     | I like to lead a team rather than stay layback.   | 0                 | 5        | 7                          | 16    | 14             | 42    |
| 7     | I have my day planned rather than last minute work.   | 9                 | 11       | 12                         | 9     | 1              | 42    |
| 8     | I am very competitive by nature.  | 1                 | 4        | 16                         | 18    | 3              | 42    |
| 9     | I strive to achieve success with creativity and extraordinary accomplishment                          | 0                 | 4        | 8                          | 26    | 4              | 42    |
| 10    | I can think out of the box to get solutions to problems.  | 0                 | 7        | 11                         | 17    | 7              | 42    |
| 11    | I am self-motivated to achieve success.   | 0                 | 3        | 9                          | 22    | 8              | 42    |
| 12    | I am a perfectionist and strive towards it.   | 1                 | 4        | 14                         | 11    | 12             | 42    |
| 13    | I prefer to take up high risk projects rather than lower risk provided I get high returns.            | 1                 | 10       | 9                          | 14    | 8              | 42    |
| 14    | I take decisions in situations of uncertainty which involve higher risk.                              | 3                 | 11       | 9                          | 10    | 9              | 42    |
| 15    | I am adventurous by nature.   | 0                 | 9        | 8                          | 15    | 10             | 42    |
| 16    | I would like to try doing new things at least once.   | 0                 | 2        | 3                          | 19    | 18             | 42    |
| 17    | I would like to explore things I have not done before.  | 2                 | 3        | 0                          | 17    | 20             | 42    |
| 18    | I always follow the rules.  | 8                 | 9        | 10                         | 12    | 3              | 42    |

|    |   |   |    |    |    |    |    |
|----|---|---|----|----|----|----|----|
| 19 | I would feel tremendous satisfaction accomplishing my goal involving high risk.               | 0 | 2  | 7  | 15 | 18 | 42 |
| 20 | I have thoughts of having new high-risk projects and the ability to achieve them practically. | 2 | 10 | 11 | 10 | 9  | 42 |
| 21 | I will start my own business in the future.   | 5 | 11 | 9  | 6  | 11 | 42 |
| 22 | I am enthusiastic about starting my own business.   | 9 | 5  | 12 | 6  | 10 | 42 |
| 23 | I have been thinking about starting my own business for a considerable period of time..       | 7 | 16 | 6  | 4  | 9  | 42 |
| 24 | I intend to start my own business in the near future.   | 8 | 14 | 6  | 5  | 9  | 42 |
| 25 | Starting my own business is favorable to me.  | 7 | 10 | 9  | 6  | 10 | 42 |
| 26 | Interested to work for a company  | 0 | 12 | 4  | 26 | 0  | 42 |
| 27 | Own business besides father's business  | 0 | 26 | 0  | 16 | 0  | 42 |
| 28 | Joining Father with his business  | 0 | 18 | 7  | 17 | 0  | 42 |
| 29 | Vertical Business   | 0 | 27 | 1  | 14 | 0  | 42 |
| 30 | I am Individualistic  | 0 | 3  | 1  | 38 | 0  | 42 |

**Source:** Authors data

The data was analysed using factor analysis to group the data under factors which mainly influence the given trait. SPSS 20 was used to analyse the samples.

**Table 3: KMO and Bartlett's Test**

| KMO and Bartlett's Test                          |                    |         |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. |                    | .525    |
| Bartlett's Test of Sphericity                    | Approx. Chi-Square | 623.306 |
|  | df                 | 253     |
|  | Sig.               | .000    |

The KMO Measure of Sampling adequacy test has a value less than 0.7 which indicates that there is not adequate sample.

**Table 3: Factor analysis loading**

| Rotation Sums of Squared Loadings |               |              |
|-----------------------------------|---------------|--------------|
| Total                             | % of Variance | Cumulative % |

|  |        |        |
|--|--------|--------|
| 4.048  | 17.598 | 17.598 |
| 2.608  | 11.339 | 28.937 |
| 2.461  | 10.699 | 39.637 |
| 2.133  | 9.273  | 48.909 |
| 2.098  | 9.120  | 58.029 |
| 1.805  | 7.848  | 65.877 |
| 1.743  | 7.579  | 73.456 |
| 1.459  | 6.344  | 79.800 |
| Extraction Method: Principal Component Analysis. |        |        |

The factor analysis resulted in loading of 8 variables in contrast to the 5 variables that were used to frame the questionnaire.

**Table 4: Factor analysis**

| <b>Rotated Component Matrix<sup>a</sup></b>   |           |       |   |   |   |   |   |   |
|---|-----------|-------|---|---|---|---|---|---|
|   | Component |       |   |   |   |   |   |   |
|   | 1         | 2     | 3 | 4 | 5 | 6 | 7 | 8 |
| I am enthusiastic about starting my own business.                                       | 0.918     |       |   |   |   |   |   |   |
| I intend to start my own business in the near future.                                   | 0.915     |       |   |   |   |   |   |   |
| I have been thinking about starting my own business for a considerable period of time.. | 0.901     |       |   |   |   |   |   |   |
| I will start my own business in the future.   | 0.824     |       |   |   |   |   |   |   |
| I would like to explore things I have not done before.                                  |           | 0.766 |   |   |   |   |   |   |
| I would like to try doing new things at least once.                                     |           | 0.76  |   |   |   |   |   |   |

|   |  |       |       |       |       |       |       |  |
|---|--|-------|-------|-------|-------|-------|-------|--|
| I would feel tremendous satisfaction accomplishing my goal involving high risk.               |  | 0.667 |       |       |       |       |       |  |
| I am self-motivated to achieve success.   |  | 0.5   | 0.482 | 0.47  |       |       |       |  |
| I prefer to take up high risk projects rather than lower risk provided I get high returns.    |  |       | 0.88  |       |       |       |       |  |
| I take decisions in situations of uncertainty which involve higher risk.                      |  |       | 0.701 |       |       |       |       |  |
| I have thoughts of having new high risk projects and the ability to achieve them practically. |  |       | 0.647 |       |       |       |       |  |
| I like to initiate or introduce anything new.   |  |       |       | 0.862 |       |       |       |  |
| I strive to achieve success with creativity and extraordinary accomplishment                  |  |       |       | 0.665 |       | 0.533 |       |  |
| I can think out of the box to get solutions to problems.                                      |  |       |       | 0.648 |       |       |       |  |
| I try to utilize all the opportunities available to me.                                       |  |       |       |       | 0.766 |       |       |  |
| I am very competitive by nature.  |  |       |       |       | 0.675 |       |       |  |
| I like to lead a team rather than stay layback.   |  |       |       |       | 0.555 |       |       |  |
| I have my day planned rather than last minute work.   |  |       |       |       |       | 0.803 |       |  |
| I always follow the rules.  |  |       |       |       |       | 0.739 |       |  |
| I like to be ahead of my competitors.   |  |       |       |       |       |       | 0.764 |  |

|   |       |  |  |  |       |  |       |            |
|---|-------|--|--|--|-------|--|-------|------------|
| I am opportunistic by nature.               |       |  |  |  | 0.481 |  | 0.661 |            |
| I am a perfectionist and strive towards it. |       |  |  |  |       |  |       | 0.821      |
| I am adventurous by nature.                 | 0.486 |  |  |  |       |  |       | -<br>0.546 |

The eight factors from the study are

Factor-1 is “Entrepreneurial intent” which indicates that intent of an individual to start their own business.

Factor-2 is “Decision taking ability” which is a very important for any entrepreneur or firm as it determines the sustainability of the venture.

Factor-3 is “Opportunity recognition” which is the ability of an individual to recognise a given opportunity and capitalise the opportunity to progress.

Factor-4 is “Motivation” towards becoming an entrepreneur and they are mostly self motivational factors.

Factor-5 is “Innovativeness” which is very essential for any individual to become an entrepreneur.

Factor-6 is “Planning” which is essential for any individual for them to achieve success.

Factor-7 is “Risk taking ability” which is the ability of an individual to take decisions which involve high risk. Higher the risk will give higher returns.

Factor-8 is “To be on one’s own” or the person who would like to be independent which is very essential character for an entrepreneur.



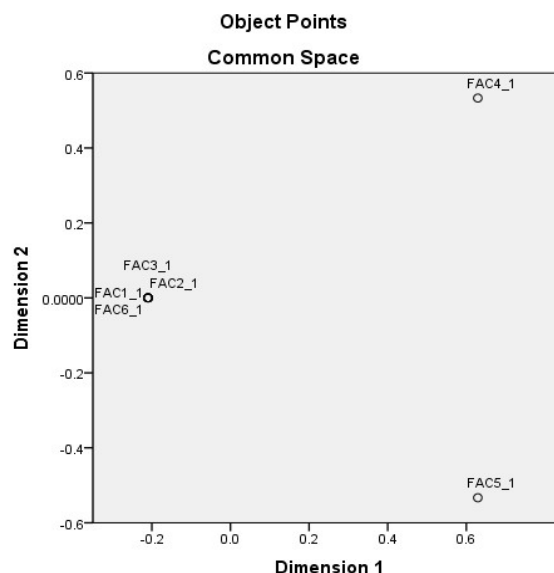


Figure 1: Proxscal

PROXSCAL was also run and the output obtained indicated that the factors could be grouped into 3: The primary ideas which included factor 1, factor 2, factor 3 and factor 6, motivation and innovativeness. For any individual it is very important that they have all these three characteristics to become an entrepreneur.

From the study we have concluded that for an individual to become an entrepreneur it is essential for them to identify opportunities and this could further be researched on to obtain more conclusive results.

## Conclusion

Entrepreneurs always think in a different way from non-entrepreneurs. Also, an entrepreneur in a particular situation may supposing else from when faced with some other task or decision terrain. Entrepreneurs must frequently make opinions in largely uncertain surroundings where the stakes are high, time pressures are immense, and there's considerable emotional investment. Given the nature of an entrepreneur's decision-making the entrepreneurs must occasionally (1) suppose structurally, (2) engage in bricolage, (3) prompt, and (4) cognitively acclimatize. This study gives us further scope to understand the entrepreneurial orientation and entrepreneurial intention of the students in engineering, non-engineering and also among students.

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