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**PERCEIVED ENTREPRENEURIAL BEHAVIOUR AS PREDICTOR OF
ENTREPRENEURIAL INTENTION AMONG UNIVERSITY OF IBADAN
UNDERGRADUATE STUDENTS**

by

Johnson, Tunde Oyeleke (PhD)

oyeleke.jk@unilorin.edu.ng

Department of Psychology,
University of Ilorin, Nigeria

Kehinde Aderemi Ojewumi

ojewumikehinde@gmail.com

Department of Psychology
Obafemi Awolowo University,
Ile-Ife, Nigeria

Olufunmilayo Adedayo

funmitad@gmail.com

Department of General Studies
Adeyemi College of Education,
Ondo, Nigeria.

Segun Ajibewa (PhD)

ajibewaa@yahoo.com

Continental Reinsurance,
Lagos, Nigeria.

Bashirat Abiodun Ibrahim

ibrahim.ab@unilorin.edu.ng

Department of Psychology,
University of Ilorin, Nigeria

Faworaja Omolara

omolarafaworaja@gmail.com

Department of Psychology,
University of Ilorin, Nigeria

Rotimi Oguntayo:

rotimijoguntayo@gmail.com

Department of Psychology,
University of Ilorin, Nigeria

ABSTRACT

This study investigated the influence of perceived entrepreneurial behaviour (PEB) as predictor of entrepreneurial intention (EI) among university of Ibadan undergraduate students. Cross-sectional research design was adopted for the study where 341 participants were selected through accidental sampling technique using structured questionnaire that measured PEB as predictor of EI. Zero order correlation and t-test for independent sample and analysis of variance were used at $p \leq 0.05$ significant level. Findings revealed that significant relationship existed between perceived entrepreneurial behaviour and EI at $\{r=.758; p<.01\}$; Participants with high level of perceived entrepreneurial behaviour scored significantly higher on EI $t(338) = -3.493; P<.05$. Regression analysis showed that age, sex, level in school, parental educational background and PEB jointly predicted entrepreneurial intention ($R = .264; R^2 = .070; F(5,334) = 5.010; p<.05$). The study recommended that acquisition of skills and abilities by students should be encouraged as it will boost the individual self-efficacy and eventually lead to acts of innovation, creativity and exploration of the environment.

Key words: Entrepreneurial intention, perceived entrepreneurial behaviour, undergraduate

Introduction

Entrepreneurship is a key driver of economic growth and economic development. It is also a medium through which unemployment can be reduced and innovation can be promoted. It is commonly suggested that entrepreneurship is a panacea for poverty reduction and eradication which is one of the eight cardinal point of Millennium Development Goals. The concept of entrepreneurship is seen as a key vehicle for employment creation, creation of economic wealth, and an essential means of enhancing the innovation dynamics in the local, regional and national economies (Chris, Carla and Fernanda, 2010).

Entrepreneurship is more than simply “starting a business.” It is a process through which individuals identify opportunities, allocate resources, and create value over threats, and a process (opportunity identification) that takes place over time. The opportunity identification process is clearly an intentional process of creation of value. This is often through the identification of unmet needs or through the identification of opportunities for change. It is the act of being an entrepreneur which is seen as "one who undertakes innovations’’ with finance and business acumen in an effort to transform innovations into economic goods hence entrepreneurs see “problems” as “opportunities,” and then take action to identify the solutions to those problems.

As entrepreneurial interest has climbed throughout the world as a result of soaring unemployment, Nigeria has also witnessed an increasing interest in entrepreneurship among academic scholars, government policy makers and business leaders. Self-employment and small enterprise initiatives are presently high on the country’s national agenda with the establishment of programmes and agencies to address the soaring joblessness. Some of these National Policy trusts and programmes are National Directorate of Employment (NDE), National Economic Empowerment and Development Strategies (NEEDS), National Poverty Eradication Programme (NAPEP), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and the New Partnership for Africa’s Development (NEPAD) (Osibanjo, 2008). The hope is that the aforementioned agencies will

provide alternative channels of employment to ameliorate the present problem being face by the teeming youths. However, the situation has not significantly changed to the desired direction.

Universities and vocational training institutes in Nigeria have incorporated entrepreneurship and small business management in their course curricula in such a way as to provide the necessary exposure for students to the entrepreneurial and industrial climate of the country. Despite all, observation made by some researchers reveal that entrepreneurs still fail (Arasti, Zandi& Bahmani, 2014). Poor planning, cash flow problems, poor financial control, inexperience were also observed by the authors (Arasti et.al, 2014) as factors influencing entrepreneur's failure. Research is beginning to show that both psychosocial and contextual factors can be used to explain entrepreneurial intentions (Rukundo, Cyenze, & Mwambari, 2016).

Nigeria as a developing country with some rich and natural resources has in the past decade witnessed opportunity to develop entrepreneurial skills and intentions; this has made the government to develop an increased interest in the stimulation of entrepreneurship to provide a solution for the problem of high youth unemployment and at the same time to stimulate the economy (Osibanjo, 2008). The government is spending more than ever to develop institutions to support business development, encourage entrepreneurship and stimulate innovation in higher education, policy-making and business (Saeid et al., 2017). Despite these efforts, entrepreneurial activity has not developed greatly in recent years, and this sector in Nigeria is still seriously underdeveloped when compared with developed countries. According to the Global Entrepreneurship Monitor (GEM) report in 2013, Nigeria rank below "average" among 67 current GEM member countries in terms of most entrepreneurship indices (including total entrepreneurial activity, intentions, perceived entrepreneurial opportunities and capabilities, the social status of entrepreneurs and media attention for entrepreneurship). However, according to a very recent World Bank (2017) report, Nigeria ranked 169th position out of 190 countries on her ease of doing business index for 2017. The World Bank stated this in its ease of doing business report titled "Doing Business" 2017: equal opportunity for all.

The report indicated that Nigeria moved up by one point from 170th position on the 2016 ranking to 169th position for the 2017 ranking.

In addition, economic and political conditions are less stable in developing countries like Nigeria than in developed countries (Agbim, Oriarewo, & Owocho, 2013). An unstable economic and political context is usually unfavourable to becoming an entrepreneur due to a range of barriers (including uncertainty, turbulence, high rate of inflation, low credit repayment rate and an otherwise volatile environment). However, an unstable economy in a country like Nigeria also offers opportunities for entrepreneurial activities—possibly to a greater extent than stable, developed economies (Agbim et al., 2013).

Some studies (Shinnar, Hsu, Powell, & Zhou, 2018; Shneor, & Jenssen 2014) have attempted to reveal the underlying factors such as gender differences in entrepreneurship while other researchers have focused on groups of factors that have been traditionally discussed as predictors of an individual EI. Such factors include: contextual and socio-demographic factors (age, gender, educational level, employment status) and individuals' perceptual factors (self-efficacy, ability to recognize opportunities, apprehension of failure, remorseful thinking, and endurance) (Agbim et al., 2013; Arasti et.al, 2014; Osibanjo, 2008; Saeid et al., 2017). Drawing on this typology, our research focus on analyzing the role played by perceptual factors on the EI as reported by undergraduate students. The main objective of the study is to develop an understanding of whether undergraduate students with high level of entrepreneurial intention (EI) will report significantly higher EI than those with low level of EI.

Hypotheses

The following hypotheses were tested in the study:

1. Perceived entrepreneurial behaviour will have significant relationship with entrepreneurial intention among undergraduate students of University of Ibadan

2. Participants with high level of perceived entrepreneurial behaviour will score significantly higher on the measures of EI than participants with low level of perceived entrepreneurial behaviour among undergraduate students of University of Ibadan.
3. Age, sex, level in school, parental educational background and perceived entrepreneurial behaviour will predict significant joint and independent influence of EI among undergraduate students of University of Ibadan. This hypothesis was tested using multiple regressions and the results are presented on table

Methodology

This study adopted a cross-sectional survey research design. Questionnaire was used to gather data from the respondents on the influence of the independent variable (perceived entrepreneurial intention) on the dependent variable (entrepreneurial intention)

The study was carried out within the premises of the University of Ibadan, Nigeria. University of Ibadan is the oldest university in Nigeria with student population of more than twenty thousand.

Regular students that cut across all faculties within the university formed the respondents for the study. Participants consisted of 341 undergraduate students with an average age of 20.12 (SD = 3.23) ranging from 16 years to 32 years old.

Accidental sampling technique was adopted for the purpose of gathering data from three hundred (341) undergraduate regular students. Data was gathered from the following faculties; Arts, the Social Sciences, Sciences, Law, College of Medicine, Agricultural and Forestry, Public Health, Technology, Education, Veterinary Medicine and Pharmacy.

The instruments for this study was a structured questionnaire which was divided into different segments with each of the segments measuring the variable of interest. The questionnaire contains 3 sections (A – C)

Section A: Demographic Factors: It was designed to explore demographic characteristics of participants such as Sex, Age, Level, Faculty, Religion etc.

Section B: Entrepreneurial Intention Questionnaire (EIQ) was used to measure entrepreneurial intention of the participants and was developed by Liñán, (2005); Entrepreneurial Intention Questionnaire (EIQ) consists of 6-item with 7 point Likert format of strongly disagree, moderately disagree, slightly disagree, neutral, slightly agree, moderately agree and strongly agree and was scored 1,2,3,4,5,6 and 7 respectively. Entrepreneurial Intention Questionnaire (EIQ) focused on the probability that the respondent will start a new business at some time in the future. The EIQ measures the core Entrepreneurial Intention model events of becoming an entrepreneurial and the higher the scores on the scale, the higher participant's EI while the lower the score, the lower participant's EI. Entrepreneurial intentions were measured by asking participants how interested they were in different careers including starting and owning their own business. An example of the items in the scale is "I am ready to make anything to become an entrepreneur". The developers obtained a composite reliability of Cronbach alpha of 0.95. The local reliability for this study was $\alpha = .69$.

Section C: Perceived Entrepreneurial Behaviour Scale. This is a 15-item entrepreneurial behaviour scale developed by Misra, and Kumar, (2000). It consists of 3 sub-scales including; cognitive competence, affective competence and action-oriented competence. The scale could be measured on composite or sub scale basis. Response format ranged on a 5-point likert format (Strongly disagree, disagree, undecided, agree and strongly agree). The scale developers reported adequate internal consistency for the sub-scales as follows; cognitive competence ($\alpha = .81$), affective competence ($\alpha = .79$) and action-oriented competence ($\alpha = .87$). The local reliability for this study was $\alpha = .80$.

The researchers approached the prospective respondents in their various faculties, explained the purpose of the study to those who are willing to participate in the study. The issue of informed consent was clearly observed by collecting data from the participants who willingly indicate interest to participate. However, in the process of briefing the participants, there was assurance that every bit of information supplied by the respondents will only be used for research purposes and no personal identification such as name or other particulars would be required to participate in the study in order to ensure confidentiality. The instructions on how to respond to each of the items was clearly stated

on the questionnaire. Out of the 380 questionnaires administered, only 341 were correctly completed and returned, representing 89.7% response rate. The returned questionnaires considered adequate for data analysis were coded, stored and entered for data analysis using the SPSS 20.0 version of computer software package.

Hypothesis one was analysed with zero order correlation while hypothesis two was tested with t-test for independent samples and hypothesis three was tested with multiple regression

Results

Hypothesis One: Perceived entrepreneurial intention will have significant relationship with EI among undergraduate students of University of Ibadan. The hypothesis was analysed with zero order correlation and the result is presented in table 1.

Table 1: Zero order correlation showing the relationship between perceived entrepreneurial behaviour and entrepreneurial intention

VARIABLES	1	2	X	SD
1. Entrepreneurial Intention	-	.231**	37.68	7.61
2. Perceived entrepreneur behaviour			46.37	10.28

** . Correlation is significant at the 0.01 level (1-tailed).

Table 1 results shows that there is significant relationship between perceived entrepreneurial behaviour and EI at ($p < .01$). Perceived entrepreneurial behaviour significantly correlated with EI ($r = .231$; $p < .01$) among undergraduate students of University of Ibadan and the relationship is strong and in positive direction. Therefore, the result supported the stated hypothesis and it is accepted in this study.

Hypothesis Two: Participants with high level of Perceived entrepreneurial behaviour will score significantly higher on the measures of EI than participants with low level of Perceived entrepreneurial behaviour among undergraduate students of University of Ibadan. The hypothesis was tested with t-test for the independent samples and result is presented in tables 2.

Table 2: Summary of t-test for the independent samples showing the influence level of perceived entrepreneurial behaviour on entrepreneurial intention

	Perceived Entrepreneurial Behaviour	N	Mean	S.D	df	t	P
Entrepreneurial Intention	Low	183	36.40	7.68	338	-3.493	<.05
	High	157	39.24	7.20			

Table 2 results indicates that participants with high level of Perceived entrepreneurial behaviour scored significantly higher on EI than participants with low level of Perceived entrepreneurial behaviour among undergraduate students of University of Ibadan $t(338) = -3.493$; $P < .05$). However, participants with high level of Perceived entrepreneurial behaviour recorded a mean of (39.24) and participants with low level of Perceived entrepreneurial behaviour recorded a mean score of (36.40). Hence, the result confirmed the stated hypothesis and it is accepted in this study

Age, sex, level in school, parental educational background and Perceived entrepreneurial behaviour will predict significant joint and independent influence of EI among undergraduate students of University of Ibadan. This hypothesis was tested using multiple regressions and the results are presented on table 3

Table 3: Summary of Multiple Regressions showing the Influence of age, sex, level in school, parental educational background and perceived entrepreneurial behaviour on entrepreneurial intention

Variable	R	R ²	F	Sig.	β	t	p
Age					-.03	-.50	>.05
Sex					.07	1.35	>.05
Level	.26	.07	5.01	<.05	.08	1.48	>.05
Perceived entrepreneurial behaviour					-.07	-1.21	>.05
Entrepreneurial behaviour					.23	4.31	<.05
Dependent variable: entrepreneurial intention							

The results in table 3 showed that **age**, sex, level in school, parental educational background and PEB jointly predicted EI among undergraduate students of University of Ibadan, ($R = .264$; $R^2 = .070$; $F(5,334) = 5.010$; $P < .05$). This implies that age, sex, level in school, parental educational

background and Perceived entrepreneurial behaviour jointly accounted for 7% variance in EI while the remaining 93% could be attributed to other variables not considered in this study. However, the analysis of the independent predictions indicated that PEB only predicted significant independent influence on EI ($\beta = .229$; $t = 4.309$; $P < .05$); among undergraduate students of University of Ibadan. Therefore, the stated hypothesis is supported by the result obtained and it is accepted in this study

Discussions

Hypothesis one stated that perceived entrepreneurial behaviour will have significant relationship with EI. The hypothesis was tested with zero order correlation and it was discovered that there is significant relationship between Perceived entrepreneurial behaviour and EI at ($p < .01$). This shows that Perceived entrepreneurial behaviour is significantly correlated with EI.

This result implied that EI increases in entrepreneurial behaviour among the study sample, because there is positive relationship between entrepreneurial behaviour and EI, this shows that as one increases the other also increases. This also demonstrated that students who possesses entrepreneurial behaviour will likely have EI and may eventually pursue that intention after graduating irrespective of his/her discipline.

There are studies that have examined the link between perceived desirability and entrepreneurship intention (Karr, 1985; Brenner, Pringle and Greenhaus, 1991; Hart and Harrison, 1992). Studies examining this issue provided different findings where there are respondents who expressed their desire to start up their own business (Karr, 1985; Hart and Harrison, 1992) while other studies show very low desire among the respondents to start up their own business (such as Brenner et al., 1991). These studies also found that family background, influential people and gender contributed to their respondents' decision to become entrepreneurs

Hypothesis two which states that participants with high level of Perceived entrepreneurial behaviour will score significantly higher on measures of EI than participants with low Perceived entrepreneurial behaviour. The hypothesis was tested with t-test for the independent samples and it

was discovered that PEB had significant influence on EI. This result implies that there is significant difference in level of among undergraduate students of University of Ibadan. Participants with high level of Perceived entrepreneurial behaviour reported highest EI than those with low Perceived entrepreneurial behaviour. The instrument used in measuring perceived entrepreneurial behaviour was developed by Misra and Kumar (2000) where 'entrepreneurial resourcefulness' model helps one to understand various aspects prompting an entrepreneur to identify opportunities and thereby regulate and direct her/his behaviour to make the best use of these opportunities. Three entrepreneurial competencies, cognitive, affective and action oriented were elaborated to explain the behaviour pattern of an entrepreneur. They see entrepreneurship behaviour as an outcome which shows that there are significant variations in the behaviour of one entrepreneur from the other.

This result implies that participants who perceived themselves to be cognitively competent in handling business enterprise, have affection for it and can take prompt action when it comes to entrepreneurial decision, had high intention to engage in entrepreneurial ventures. In this study it has been established that individuals without affection for entrepreneurship may not engage in it even if he/she has access to resources that can help in business enterprise. Also, possession of cognitive ability towards entrepreneurship is another important factor which cannot be overlooked, individuals who is going to be engaged in entrepreneurship should aligned his thoughts towards it.

Hypothesis three which stated that age, sex, level in school, parental educational background and PEB will predict significant joint and independent influence of EI among undergraduate students of University of Ibadan was tested using multiple regressions. It was discovered that age, sex, level in school, parental educational background and Perceived entrepreneurial behaviour jointly predicted EI. This implies that age, sex, level in school, parental educational background and PEB jointly accounted for 7% variance in EI while the remaining 93% could be attributed to other variables not considered in this study. However, the analysis of the independent predictions indicated that Perceived entrepreneurial behaviour only predicted significant independent influence on EI.

Conclusion

This study concludes that Perceived entrepreneurial behaviour is a significant determinant of EI among the study sample; those with high level of Perceived entrepreneurial behaviour reported highest EI than those with low perceived entrepreneurial behaviour.

Consequently, it was drawn from the conclusion that Perceived entrepreneurial behaviour had a significant influence on EI. Hence, researches theoretical predictors of EI received a strong support indicating that entrepreneurial behaviour should be considered in models of EI. However, the use of intention as dependent variable has its own weaknesses because intention may not distinguish between the “dreamers and the “doers”.

Although the study has made major findings that are cogent and contributed to knowledge. However, a limitation was observed in the research design which affected the findings of this study. Cross-sectional survey research design made the researcher to be able to gather data at one point in time, hence, downplaying the richness that a longitudinal research would have offered.

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