



FACTORS INFLUENCING YOUNG GRADUATES ENTREPRENEURIAL ASPIRATIONS

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Abstract

Inspired by Ajzen's psychosocial model of planned behavior, we explained entrepreneurial intention through individual characteristics and the surrounding environment. We considered shedding light on a sample of graduates from the Sfax Business School . Our results reveal the importance of attitudes associated with behavior as well as the importance of social norms in entrepreneurial intention. Conversely, financial constraints , business creation training and everything related to perceptions of behavioral control have a non-significant effect on intention.

1. Introduction

Entrepreneurship, and more generally business creation, is the new engine of the economy (Reynolds et al. 1994; Dejardin, 2000 ; UNIDO, 2003 ; Rasmussen and Sorheim, 2006 ; Obschonka et al., 2010). It

is, in this sense, a vector of economic development allowing the realization of added value and the improvement of national growth , and helping to combat unemployment and informal work. Its effects result from the concrete expression of the qualities of the entrepreneur, and more precisely from his



propensity to innovate (Dejardin, 2000). A greater number of entrepreneurs in a country would lead to increased economic growth . It is in this same line of thought that Entrepreneurship is considered an important factor in the Company. The fact remains that any entrepreneurial act is preceded by the intention to undertake. This intention sums up the will of a person to create his or her own business ; it can be explained by individual characteristics of the potential entrepreneur, by his or her environmental environment, or by his or her cultural specificities (Benredjem, 2010). For Tounès (2006), the will of the individual is important in the success of the business creation process. Drucker (1970) considers that the emergence of the entrepreneurial economy is clearly a cultural and psychological event as much as an economic and technological one. Lecointre (1993) maintains that the entrepreneurial spirit is above all a spirit, that is to say a mentality.

Business creation is nothing other than an act that arises within a process under construction. Upstream of this process, multiple researches have attempted to explain the causes that lead individuals to become entrepreneurs. Describing and explaining entrepreneurial intention are necessary to understand the act of entrepreneurship. This intention is the mediator between behavior, attitudes, subjective norms and perceptions.

As for our approach, we will be particularly interested in the entrepreneurial intention in a student population that we will approach in a global manner. Indeed, before marking his intention to create a company, the student is first and foremost the reflection of a social, economic and political reality. Even if he reflects the image of his family in which he lived his first social experience



of the student ; the student does not live in a vacuum . Indeed , the environment in which a person grows and evolves is likely to influence the path of his career. For Krueger and Casrud (1993), Berglann et al. (2010), Gurel et al. (2010) and Laspita et al. (2012), the entourage of the project leader must be favorable to him, and must have the necessary resources for the success of the project. Gasse and D'Amours (2000) consider that the decision to create a business is influenced by the entrepreneur's background (family, environment, culture), his predispositions (motivations, attitudes, interests and skills), his behaviors and the presence of a triggering element. Mezhoudi (2001), for his part, considers that in the Tunisian context the family plays two important roles in the accomplishment of the entrepreneurial activity in the creator : comfort and financial contribution since , through its intervention, it minimizes the cost of creation . Aldrich and Fiol (1994) argue that the creation of a business is a fundamentally relational activity. The relational network is only one aspect of the factors that can stimulate the entrepreneurial intention of the individual. A state of mind and a dynamic of action of the individual are necessary to achieve entrepreneurial achievement ; consequently, entrepreneurship would be a dynamic of action and a state of mind that can be acquired through training, awareness of situations, through accompanying measures, or even by specific techniques and tools (Von Graevenitza et al., 2010). Hence the importance of the education system whose mission is to raise awareness, prepare and train for entrepreneurship. For Rasmussen and Sorheim (2006), the teaching of Entrepreneurship in schools and universities can modify attitudes , change behaviors and beliefs of young students about entrepreneurship, and



thus facilitate their assimilation and accessibility to the entrepreneurial phenomenon . Saporta and Verstraete (2000) argue that entrepreneurship teaching can shape student cognition by promoting the combination of three irreducible and inseparable dimensions : reflection, reflexivity and learning.

In any case, let us note that the entrepreneurial act remains a very marginal professional approach among students. However, with the programs implemented, it is instructive to look at the entrepreneurial intention of the beneficiaries of this training, even if at this stage, it remains a simple professional intention. This will allow us to easily get out of the debate on intention and entrepreneurial acts. Indeed, intention is not always the act, and it is not a prerequisite for this action. How then can we define the term "intention" when it comes to entrepreneurship? What are the factors that are likely to accentuate this intention?

We will attempt, through this approach, to provide elements of response and clarification to these questions. In this sense, we will try to circumscribe the problems of temporality and validity that the study of intention poses based on a survey of a sample of 94 young graduates from the Sfax Business School in Tunisia.

2. The conceptual framework of the study

We have articulated our research on intention models such as those of Ajzen's (1991) theory of planned behavior in social psychology and Shapero's (Shapero and Sokol, 1982) entrepreneurial event model in entrepreneurship.

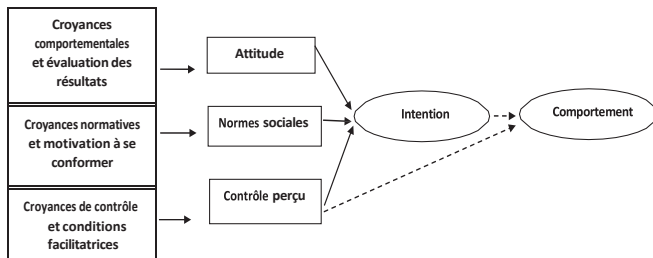
Ajzen's theory (1991) postulates that an individual's intention is determined by three elements: his attitude towards the behavior in question, his perception of



social norms and the control he thinks he has over the situation.

The first element refers to the degree of appreciation that the person has for the behavior (Ajzen and Fishbein, 1980). The attitude of a student towards the creation of a business is based on his values and his professional characteristics and on his vision of entrepreneurship (Tounès, 2006). Social norms, constituting the second element, refer to the perceived social pressure that encourages, or not, to implement the observed behavior. The intention to create a business is all the stronger when the creation of a business is perceived as a desirable action. Desirability, according to the terminology of Shapero (1982), represents the degree of attraction that an individual feels towards the creation of a business. We will take into account these two approaches in our study, social norms will be defined by the degree of approval of the social environment and by the perceived desirability of creating a business

(Shapero and Sokol, 1982). The last element is built around perceived control and defined around the person's perception of the difficulties to overcome in order to put into practice a studied behavior and a perception of the presence or absence of the individual resources and skills necessary to carry out this behavior (Tounès, 2006). This behavioral control is similar to Shapero's concept of feasibility (1982). In our context, entrepreneurial feasibility refers to the degree to which the person believes they can successfully create a business. These two concepts : perceived control and feasibility are very close.



Conceptual model

Source : adapted from Ajzen (1987, 1991)

In our approach, we have taken up this model which has been widely validated by different studies on the act of business creation (Krueger and Carsrud, 1993 ; Krueger et al. 2000; Tounès, 2006; Fayolle et al. 2006; Klapper and Léger-Jarniou, 2006). Some of these authors have more specifically targeted a student population.

However, it is clear that in this model there is a strong underestimation of the place of opportunities in the entrepreneurial act which, sometimes, precede intentions.

Let us recall that our study does not focus on the decision-making process of entrepreneurial action, but on the intentions of the student population. Tounès (2007) considers that intention is the result of a long process dictated by the actions and motivations of students.

Kolvereid (1996), studying a sample of about a hundred Norwegian students in business schools, shows that the intention to create a business is significantly



correlated with behavioral attitudes , social norms and perceived behavioral control. The latter two have a greater effect on the intention than the former. Individual sociodemographic variables have no significant impact on the intention, although they are correlated with social norms and perceived control. Krueger et al. (2000), applying Ajzen's model to the career choice of a hundred former students of business schools in the United States, analyzed the perceived feasibility and attitudes that could significantly determine the intention, to arrive at the same results as those of Kolvereid. Indeed , for these authors, feasibility has more effect on intention than behavioral attitudes. On the other hand, social norms do not have a significant impact, unlike the results found by Kolvereid. Kennedy et al. (2003) who show, from a sample of a thousand Australian students, that Ajzen's intention model applies perfectly with an effect of three main types of variables.

Emin (2004), conducting a study on seven hundred and forty-four public researchers working in the Paris region, demonstrated that the intention model can be useful for predicting intentions to create a business in an academic environment. In the same vein, the author argues that if the desire to create a business and perceived feasibility contribute significantly to the prediction of the intention to create a business, the influence of the perceived social norm is not significant. Beliefs about the importance of the role of professionals also have no direct effect on the intention to create a business. However, the social norm and the perceived professional role have an indirect impact, via their influence on the desire to create. His study reveals another interesting result : the existence of a preponderant weight of the " desire to act " in the prediction



of intention.

All these results confirm the interest of the planned behavior model for the study of business creation. Also, have we based our approach on these three main determinants of intention which are behavioral attitudes, social norms and perceived control?

3. Building the database

We set ourselves the objective of verifying the results obtained from a sample of graduates of the business school, at the end of the 2008/2009 academic year. Our interviewees were invited to answer a questionnaire in French, distributed when the certificate of success was awarded by the administration .

The sample consists of 94 graduate students , 31.9% of whom are from male gender .

3.1. Measuring intention

As with Kolvereid (1996), we measured intention by considering the professional alternative: salaried employment/entrepreneurship. Three items were established : (1) the probability that you create your own business is very high, (2) the probability that you pursue a career as an employee is very high and (3) if you have to choose between creating your own business and being an employee, you would certainly prefer to create your own business. In

preamble to the questionnaire, it was specified that the student had to take “ business creation ” in a broad sense .

In our approach, the statements of the level of agreement of the young graduates were captured with the following measures : from 1 “ total



disagreement ” to 7 “total agreement”.

To maintain the internal consistency of the items forming the highlighted components , we retain, in our analysis, only items 1 and 3 (Cronbach's alpha $> 0.5 = 0.788$).

A principal component analysis was performed to factor these two items (Bartlet significance < 0). We obtained a single axis called “ intention ” whose eigenvalue is greater than 1 ; it explains 82.75 % of the total initial variance.

3.2. Measurement and analysis of variables

Among the many variables involved in entrepreneurial intention , we have chosen, without claiming to be objective, those most likely to respond to our subject of concern. In any case , the problem that we have posed has led us to retain the hypotheses of Tounès (2006) which, from our point of view, are the most explanatory of the entrepreneurial intention of a student population .

In all three cases, the reliability analysis of the items used gave a Cronbach 's alpha > 0.5 .

We remove items whose correlation with the axes is too low (< 0.5), to obtain four explanatory factors of entrepreneurial intention . Factor 1 defines the attitudes associated with the student's behavior, factor 2 and factor 3 describe subjective or social norms, and factor 4 describes perceptions of behavioral control .

4. Explanatory model of entrepreneurial intention

By performing a multiple linear regression, with the four factors combining desirability and feasibility, we managed to better explain the entrepreneurial intention of the students consulted.



Dependent variable : intention

evolving in a specific context , and receiving training in entrepreneurship .

Factor1

Factor2 Factor3 Factor4

0.247 (2.37)*

0.265 (2.23)*

-0.093 (- 0.86)

0.167 (1.40)

0.249 7.367*

12 items describe the various characteristics of intention entrepreneurial, 2 of which state the attitudes associated with behavior, 6 measure subjective or social norms and 4 measure perceptions of behavioral control . The student must express his perception of these items both for the quality of his future professional life and for the quality of life in the career of an entrepreneur.

Almost all items were entered on 7- point Likert scales.

We apply the principal component analysis method to reduce the items used for each of the 3 elements. The table below reveals the results.

Factors 1 and 2 are the determining variables of intention, their coefficients are positive and significant. The low coefficient of determination of



entrepreneurial intention, i.e. 24.9%, leads us to believe that there are other explanatory factors of intention that are not incorporated in our approach, such as the sex of the interviewee or their employment situation at the time of the survey.

Nevertheless , the impact of factor 1 on intention is positive and significant . Entrepreneurial intention increases when attitudes associated with student behavior improve. Also, it is clear that practice and problem - solving bring

Rotation method: varimax with Kaiser normalization For all three PCAs , Bartlett 's significance < 0.001

Attitudes associated with behavior

Subjective or social norms

Perception of behavioral control

Items	Factor1	Postma n	Factor3	Factor4
1- Existence of an idea or a project more or less formalized.	0.868			
2- Search for information.	0.868			
3- Need for accomplishment.		0.688		
4- Search for autonomy.			0.841	
5- Risk taking .		0.695		
6- Existence of entrepreneurial models .			0.912	
7- Motivation to conform to the expectations of family and relatives.		0.725		
8- Influence of classmates who wish to undertake and/ or who have ideas , concepts or projects to undertake.		0.651		
9- Specific lessons of business creation .				0.668
10- Work experience , internships in a company .				0.824
11- community life				0.647
12- Accessibility of resources : financial, information and advice.				0.679
Own values	1.50	2.34	1.44	2.00
Total variance explained	75.31%	63.06%		50.10%
Cronbach 's alpha	0.671	0.667		0.650

the experience needed to enable the potential entrepreneur to change his skills



and reorient his attitudes and personality ? This is in line with the conclusions of Léger-Jarniou (2008) for whom traditional teaching methods certainly provide knowledge, but they are insufficient to change attitudes and behaviors ; this is why it is necessary to apply a specific teaching method .

The positive and significant impact of factor 2 highlights that social norms influence entrepreneurial intention. Among the psychological parameters that lead to the entrepreneurial act , we find the need for accomplishment. This need can be identified in the concretization

of an idea or a business project, which would allow students to achieve their potential and opt for the entrepreneurial path (Tounès, 2006). The results we have obtained also show that the entourage and influence groups of the creator traditionally correspond to the groups of friends and ethnic groups that, in some countries, are associated with entrepreneurial activity (Shapero and Sokol, 1982). Indeed, very often the intention to undertake is suggested by friends who are ready to join forces to create their own job. According to Tounès (2006), perceptions of desirability are formed by the value system of individuals, which is built under the influence of social and cultural factors, particularly that of the family and parents.

The effect of the third factor has a non-significant effect on entrepreneurial intention . This is in contradiction with several other studies (Van Auken et al. 2006; Gasse et al. 2006; Shivani et al. 2006; Gurel et al., 2010; Altinay et al., 2012) which show that individuals who have parents who are business owners or self-employed would be more likely to create businesses or at least to present the intention, for two essential reasons: firstly because suppliers, who



are related to the creator, can grant him payment facilities, and secondly because loans granted by parents provide good comfort to the creator. We can therefore deduce that creating a business is an adventure that the individual cannot undertake alone, although he is the main actor, and that the relational network is as important as his personal effort. The relational network, whether it is made up of family, professional or social relations, allows obtaining the necessary information and, possibly, the financial and administrative assistance needed to carry out the project in a timely manner. For Aldrich and Fiol (1994), interpersonal relationships allow the entrepreneur to overcome the difficulties of creation, to extend his field of action, to save time and to access resources and opportunities that would otherwise be inaccessible.

The non-significance of factor 4 shows that perceptions of behavioral control have no effect on entrepreneurial intention. This result confirms that the educational path, entrepreneurial experiences (internships, odd jobs, community life, etc.) and accessibility to resources (financial, information and advice) do not stimulate the intention of young graduates to create their own businesses. Indeed, the results we have obtained reveal that these factors, education and means of financing, are not likely to influence the intention to undertake. Why then commit, at the level of schools and universities, so many resources to learning entrepreneurship, since the expected result does not go in the direction of stimulation, neither of entrepreneurial intention, nor of the creation of a business itself ? The fact remains that Ajzen (1991) assumed that students graduating in entrepreneurship are more enterprising than those in management. This assumption is consistent with our result since the targeted



university institution does not provide specific teaching of entrepreneurship. And this teaching must be designed in an environment that develops in students self-esteem, knowledge and the qualities to act on what they find (Léger-Jarniou, 2008).

5. Conclusion

Business creation is an important vector for job and wealth creation . However , business creation itself is preceded by the intention to create, so we cannot easily separate the intention to undertake from the act itself. Of course, not all intentions are realized ; it remains that they represent the best predictor of the act of undertaking. In this research work, we have attempted to investigate the intention to undertake through different factors, and particularly those related to attitudes associated with behavior, social norms and perceptions of behavioral control.

We sought to provide some answers to the question of how these factors can influence the intention to create one's own business. We targeted the student environment, which seemed to us to be the environment likely to be made aware of the issue, given the training and skills acquired by this social category.

Our results highlight the importance of behavioral attitudes and social norms (defined by factor 2) in entrepreneurial intention . Behavioral perceptions remain non- significant. The importance of the impact of factor 2 on intention reveals that intention increases, significantly, with the influence of the potential entrepreneur's classmates, which confirms the important role of entrepreneurial training in universities, especially since today , and faced with the increase in



unemployment among graduates, university institutions are challenged to train and raise awareness among students through different educational processes, to create their own businesses. As a result, teaching entrepreneurship constitutes an educational pedagogy that is not only widespread in management schools, but also in the majority of university institutions, all of which are seeking to develop their own entrepreneurship training (Solomon et al. 2002; Katz, 2003). This teaching generally transmits the necessary knowledge on the values, attitudes and motivations of entrepreneurs and on the reasons for taking entrepreneurial action.

For a nation, developing an entrepreneurial culture means preparing to face the hazards and complexity due to the phenomenon of globalization. This also solves the problems of the difficulty anticipation on markets of any kind. The impact of entrepreneurial culture is of capital importance among new graduates. It highlights the characteristics of the person and stimulates their desire to undertake and accentuates their individualism, their marginality and their need to achieve and take risks (Johannisson, 1984 ; Gurel et al., 2010).

Entrepreneurship education and training meet the objectives of success for our economies at the economic, political, social and technological levels . They encourage individuals to take conscious risks for the development of new organizations that create added value .

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