

An Analysis of the Entrepreneurship Orientation Among Business Students: A Case Study

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Abstract

This study examines the entrepreneurial orientation among university students in the Sindh Province of Pakistan. Specifically, it aims to examine the relationship between entrepreneurial orientation and university education. For this purpose, this study takes into consideration demographic characteristics, work history, role models and the role of university education. A descriptive analysis carried out on the data gathered from questionnaire demonstrates that demographic characteristics such as age, gender, and religion have no significant relationship on entrepreneurial orientation of students. On the other hand, business education at university greatly influences the career choices of students.

Key Words: Entrepreneurship, Entrepreneurial Orientation, University Students

1. Introduction

Entrepreneurship plays a very important role in the growth and development of businesses and economies on macro and micro levels. Entrepreneurship is the consequence of rewarding “opportunities (those situations in which new goods, services, raw materials, and organizing methods can be introduced and sold at greater than their cost of production” and “enterprising individual” (Hisrich et al., 2014, p.9). It also requires an innovative and resourceful individual to recognize, evaluate, and exploit these situations as possible opportunities. So these both the things recognizing opportunity and being innovative and resourceful describes an entrepreneur.

The act of Entrepreneurship is every so often deliberate/ thoughtful undertaking of business operations. Without purposeful and calculated efforts, it is difficult to find new opportunities, enter/ join new markets and produce new products. Entrepreneurship orientation is the leading factor in starting new businesses (Hisrich et al., 2014). Entrepreneurial orientation has received much attention over the last two decades. In the next few years entrepreneurial orientation is likely to become the key motivational element of new businesses. Previous work has mostly focused on the reasons of entrepreneurial intentions (Greenberger & Sexton, 1988; Naffziger et al., 1994; Carter et al., 2003; Zhao et al., 2005). On the issue of the entrepreneurial intention among students in universities in Sindh, the literature is scarce. The aim of our research is to extend current knowledge in the field of entrepreneurial orientation among business students especially in universities in Sindh, Pakistan.

The main purpose of the paper is to find out how much motivation students get during university education. What factors encourage or discourage students and increase the chances of opening their own businesses? Especially we intend to examine the impact/ role of university business (entrepreneurship) education on the future career choices of students of Institute of Business Administration, University of Sindh.

The study aims to examine business students’ perception and inclination towards becoming entrepreneurship only because entrepreneurship is among their important subjects

and they are taught and the sense of entrepreneurship is created well among business students. This study also intends to assess the impact of family background on the students' tendency towards entrepreneurship.

Therefore, the paper is structured in five parts. After introduction, second part consists of literature review. Third part explains about data and methodology of the study then follows the results and conclusions of the study.

2. Literature Review

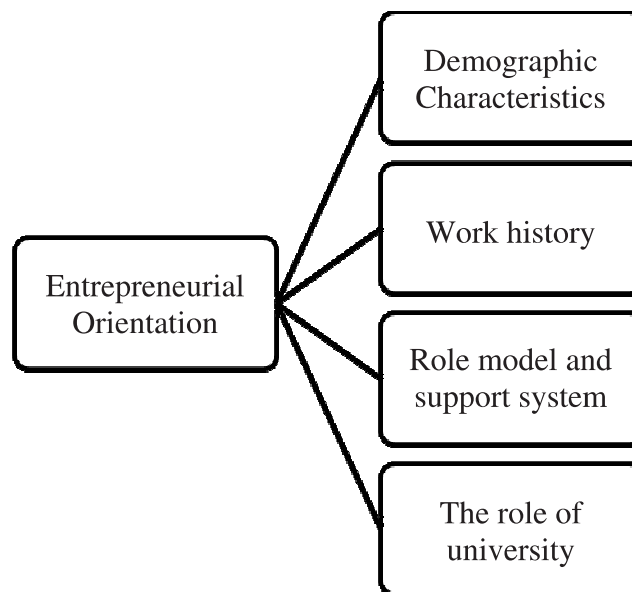
Earlier studies have discussed the entrepreneurial orientation from different aspects. But the literature lacks the academic work in the area of universities in Sindh. This study intends to cover this potential opportunity to extend the current knowledge in this area in universities in Sindh.

3. Objective of the Study

The following are the objectives of this study:

1. To analyze the entrepreneurial orientation and inclination of university business students towards entrepreneurship by analyzing demographic characteristics, work history or status of students and their parents, role models, support system and the role of university.
2. To recognize certain variables that influence students' career choices.
3. To obtain extensive attention towards the concept of entrepreneurial orientation among students at university level.

4. Theoretical Framework



5. Data

Thus in an attempt to recognize the impact of university education, we are going to closely look at the factors of family background of individuals, age, work history and role of university education to examine how these determinants of entrepreneurship affect the career choices of Sindh university students.

Demographic Characteristics

Demographic characteristics are considered among the key drivers of entrepreneurial intentions. This study covers the aspects of gender, age, religion and marital status to look at the effects of demographic characteristics on an individual's possible career choices.

Gender Differences

The issue of role of gender is much discussed in the context of especially women entrepreneurship. Therefore this study also includes an angle to examine how gender differences affect the decision of becoming entrepreneurs. It also depicts the level of market knowledge and finance control women have during their early career life or choices (Welter et al., 2014). When we discuss the concept of entrepreneurship from the context of gender, different issues of permission to do business, time spent out of house, house chores and time management arise for women (Fagenson & Marcus, 1991). Various studies have discussed the subject of entrepreneurship classifying it into male or female attitudes (Baughn et al., 2006; Ahl, 2006; Welter, 2014).

On the basis of above literature we can formulate following hypothesis:

H1: Gender differences significantly affect entrepreneurial orientation.

Age

The characteristic of age is further explained by what age an individual belongs. Here we examine chronological age i.e. years since birth of the individuals. Here we have considered age factor as an important variable as it signifies and is relevant in terms of a university student. Age also signifies the level of maturity.

We design following hypothesis on the basis of above details:

H2: Age has an important relationship with entrepreneurial orientation.

Religion

Association of religion to the decision of future career choices is much discussed in the entrepreneurship literature. Studies emphasize on the relationship between different religions and its impact on entrepreneurial orientation. Academic literature found mixed results for this issue. Our study intends to analyze the impact of religion on entrepreneurial orientation of business students.

The following hypothesis is formulated on the basis of above discussion:

H3: Religion has a considerable impact on entrepreneurial orientation.

Marital Status

Marital status may affect individuals' career choices as they have more family responsibilities and pressure to make a good earning. This might influence individuals to not only consider their personal choices but other considerations for selecting career options. Therefore:

H4: Marital status has a significant impact on entrepreneurial orientation.

Work History

Work history (past work experience) can greatly influence the career choices of individuals. The work experience also indicates towards future successes or failures of running businesses. Previous technical and industry experience helps a lot in entrepreneurial intentions of individuals.

On the basis of given literature, following hypothesis is specified:

H4: Past work experience has a significant impact on entrepreneurial orientation.

Role Models And Support Systems

Role models play key position when discussing the career choices of students or prospective entrepreneurs. If the parent is already in business facilitate the individual in becoming prospective entrepreneur. Because then the person has got some advantage of knowledge about business field and market in comparison to that person who is not from business family. This study takes parents as role model especially if one or both the parents are in business so how it could affect the decision of becoming an entrepreneur. As parents can play very supportive part morally, psychological and professionally in terms of both density and centrality in the early startup phase (Hisrich et al., 2014; Kume et al., 2013; Gurol & Atson, 2006).

From the above discussion, following hypotheses are formulated:

H5: work status of mother has a relationship with entrepreneurial orientation.

H6: Work status of father has a relationship with entrepreneurial orientation.

The Role of Universities in Promoting Entrepreneurship

The study aims to examine business students' perception and inclination towards becoming entrepreneur only because entrepreneurship is among their important subjects and they are taught and the sense of entrepreneurship is created well among business students. Therefore:

H7: University education has an important relationship with entrepreneurial orientation.

6. Methodology

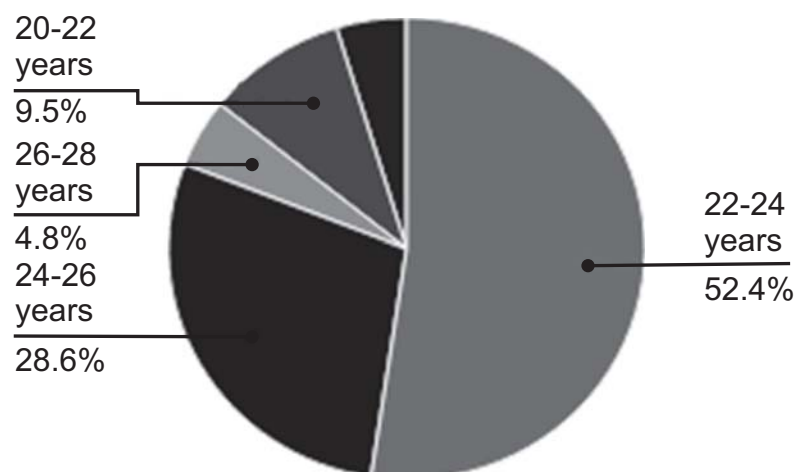
To examine the hypotheses, data was collected from an online questionnaire among students of Institute of Business Administration, University of Sindh, Pakistan. Subjective sampling method was used. The unit of analysis was final year business students, selected on the basis that they were near to completion of degree. In order to operationalize the variables, questionnaire was adapted from various sources (Bin Mahajar et al., 2012; Keat et al., 2011).

Analysis and Results

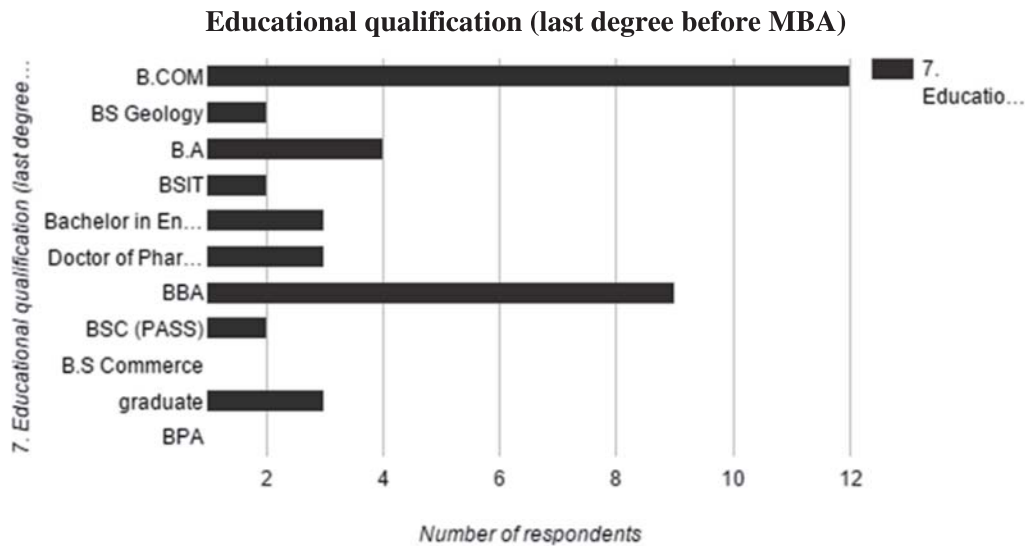
The respondents' profiles

42 business students of Institute of Business Administration, University of Sindh replied. Out of 42 students, female students are 16 (38.1%) comparable to 26 (61.9%) male respondents. As all of the respondents were studying at the postgraduate level, they were mostly aged between 22 to 26 years with 81 percent (n=34), whilst 9.5 percent belongs to the age 20 to 22, 4.8 percent relate to the age 26 to 28 and only two respondents were above the age of 28 years.

Count of 5. Age

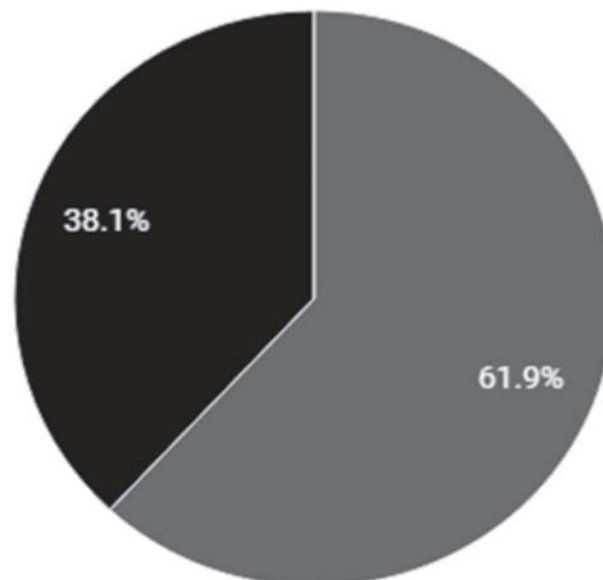


With regard to their university entrance education, out of 42 majority of respondents' last educational qualification is B.COM i.e. 12 (28.6 percent). Then 9 (21.4 percent) studied BBA and the other students' qualifications show B.S Geology, B.A, B.S.I.T, B.E, Doctor of Pharmacy (Pharm-D), B.SC (Pass), B.S. Commerce, B.P.A. Three respondents have not clearly described their last degree but just specified graduate in their data.



Out of 42 respondents, 38.1 percent were female students and remaining 61.9 percent were male students. The study found no significant difference in entrepreneurial orientation of both male and female. This evidence also supports the results of Carland and Carland (1991).

Count of 2. Gender



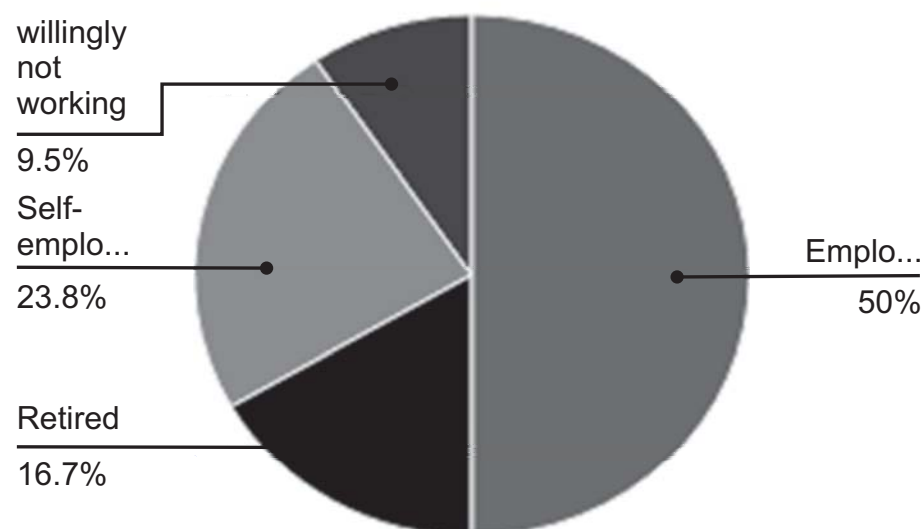
This study analysed the variable of religion and found no significant impact of religion on the career choices of business students. This result may be associated with limited number of unit of analysis. Similar results are found for the variable of marital status, showing insignificant relationship between students' inclination towards entrepreneurship as

a future career choice and marital status. The results imply that the state of being married does not affect the future career decisions of a student.

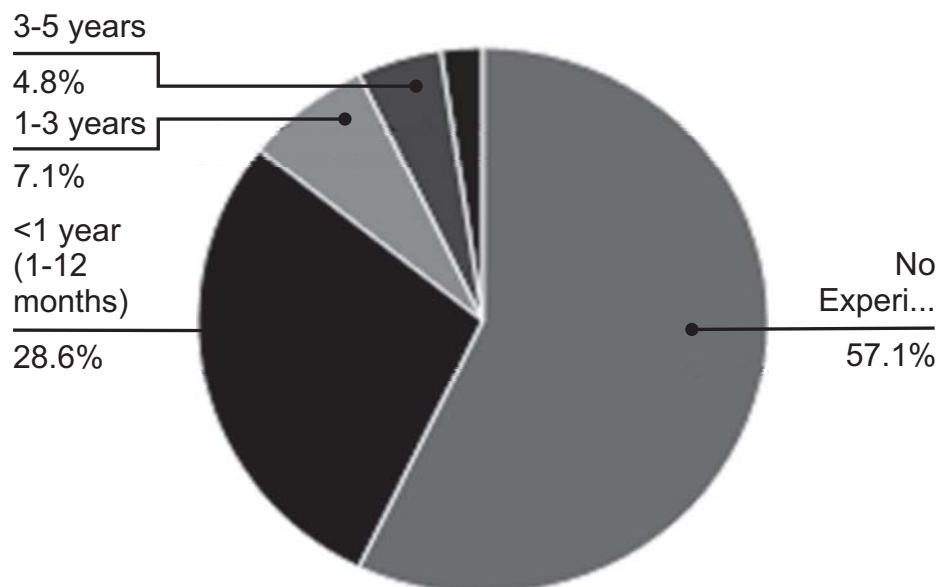
When discussing the impact of work experience on the entrepreneurship orientation of students before starting the education of MBA, 24 respondents have no prior work experience, 12 students have prior work experience ranging from 1 to 12 months, 1 to 3 years 3 students, 3 to 5 years 2 and 1 student have above 6 years work experience. Respondents' mothers' work status shows only one respondent's mother is currently a business woman, remaining data shows 35 mothers belong to the category of housewives, 4 mothers are currently on job and 2 mothers are retired.

Out of 42 respondents' father work status, 10 fathers have their own businesses, on the other hand, 21 fathers are currently on job, 7 fathers have retired from jobs, and the remaining 4 respondents' fathers are not employed.

Count of 9. Father's Working status



Count of 8. Work experience





Interestingly, only one respondent's mother is a business woman (father's working status is employed) out of the sample and the participant describes university education has no influence on his career choices. This study supports the concept that university education strongly influences the career choices of students and motivates them to become entrepreneur.

Conclusion

There is fairly good level of interest in entrepreneurship among students. In this paper, entrepreneurship orientation of university students is assessed by analyzing various relevant factors. The results of the study indicate that among different variables, the role of university education is an important variable influencing the behavior of prospective entrepreneurs. The students themselves have the opinion that after taking business subjects, they decided to choose entrepreneurship as their career choice. On the other hand, the variables of demographic characteristics, work history, role models and support system do not have much influence on students' entrepreneurship orientation.

This study has gone some way towards enhancing our understanding of entrepreneurial inclination of business students. Our study suggests that universities should emphasize on entrepreneurship oriented courses. Further, entrepreneurial activities and internship opportunities should be increased by institutes to increase knowledge and entrepreneurial experience in students. Entrepreneurship can also be offered as a separate specialization for study in graduate and postgraduate degrees.

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