Chapter - 2

REVIEW OF LITERATURE
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1) Ethen Duygules in his study of 170 MBA students tried to investigate whether entrepreneurs and non entrepreneurs have systematically different psychological characteristics, especially in terms of proactive behaviour or personality. He used the entrepreneurship model proposed by Kostova (1997). The model suggests that among other things, those certain entrepreneurial activities and these characteristics make them different from non-entrepreneurs. It was found that 67.9 percent of the students were found to be entrepreneurially inclined. The income of the family and profession of the family members was found to be a significant factor that influences the entrepreneurial orientation of students. a strong relationship between proactive behaviour and entrepreneurship orientation was found in the study.

2) Malin, B. Morris, K. Alan C, Jennie, E,, in a study of 421 students, facing career decision respondent asked the to indicate on a scale from 0-100 how likely it was for them to start a firm within the next 5 years, how attraction starting a firm for the average person was, how attractive it was for them, how feasible for the average people was to start a fun and how feasible it was for them. Additional an 18 item measure on intentions using likes scale was used. It was found that social norms and self efficacy had a direct relationship on desirability and feasibility respectively. It was also found that desirability and feasibility were associated with entrepreneurial intention. Those with strong intentions had a strong desirability towards new ventures.

3) Hytti et al in their study of Turku University students in Finland tried to investigate how people with an academic degree perceive entrepreneurship as a personal career alternative. It was found that in case of Engineering discipline people with lower engineering degree are more inclined to pursue entrepreneurship where as those with higher engineering degree the option is less frequent within the business and social studies the trend seems to be opposite ; the more educated person act as entrepreneurs more frequently than
the person with a lower degree. It was found that men are about 2.5 times likely to perceive entrepreneurship as personally desirable as well as feasible and similarly 2.5 times more likely to start a form in next 5 years. The age of the respondents also explains the perceptions regarding entrepreneurship. The likelihood for finding entrepreneurship personally desirable increases for the young people (under 30) and prime age people (31 years) compared to middle aged and older people (above 45 years). It was also found that students with an engineering background are less likely to set up a firm compound to management or natural science background.

4) Evan, d (2005), investigated the role of entrepreneurial attitudes and entrepreneurial self-efficacy on an individual’s intention to engage in entrepreneurial behaviour. Their sample consisted of 414 students surveyed at the beginning of their first entrepreneurship class in MBA programs in Australia (46), China (39), India (204) and Thailand (125) between 2003 and 2004. They measured the entrepreneurial intentions of the students using a 7 point scale ranging from very unlikely (1) to very likely (7) over eight items measuring intentions to engage in a range of entrepreneurial behaviour. Their result found that individuals who prefer more income, more independence and more ownership have high entrepreneurial intentions. The study found no relationship between risk propensity and entrepreneurial intention significant positive relationships were also found between entrepreneurial self efficacy and entrepreneurial intention.

5) Erich, J (2003), in his study examined key factors influencing student’s intent to create a new venture. He investigated the affect of individual’s attitude in general and towards self-employment on their choice of entrepreneurial career. The sample for his study consisted of 1326 students from of universities in Austria. The attitude towards entrepreneurship was the most relevant predictor of entrepreneurial intent among students. Similarly the attitude towards autonomy had a strong and highly significant impact on student’s interest to becoming an entrepreneur. Attitude towards money have a strong positive
impact on entrepreneurial intent. The university actions to foster the aspiration to start a business leads to the stronger willingness to become an entrepreneur.

6) [Dooglas, E., (1999), in his study investigated the relationship between the intention to start ones own business and individuals attitude towards income, independence, risk and work effort. Results of his study suggest that individuals having more positive attitude towards independence and risk are characterised by higher willingness to become an entrepreneur.

7) Francisco and Yi-wen chen tested the entrepreneurial intention model adapted from the theory of planned Behaviour on a sample of 533 individuals from two different countries Spain and Taiwan, Demographic Variables have relatively few significant effect on entrepreneurial intention. The effect of gender (being male) and having work experience had a considerable effect on self-efficacy. The influence of personal action on entrepreneurial intention is largest in Spain, where as self-efficacy has strongest influence on entrepreneurial intention in Taiwan.

8) Francisco, L in his study of 141 university students tested the intention model of entrepreneurship. The model assumes that external variables (demographic or background characteristics) do not directly effect the intention of performing a given behaviour or behaviour itself. That effect would be only indirect, through their influence on the antecedents as: entrepreneurial knowledge, perceived feasibility (self-efficacy). It was found that attitude towards entrepreneurship and perceived feasibility has greatest affect on intention / social norms, on the other hand, contribute very weakly to explaining intention. A high co-relation was found between attitude and feasibility. Knowing an entrepreneur and being familiar with the business environment makes students more confident about their own capacity of becoming entrepreneurs.

9) Stefanie, K et all in their study examined the relationship of psychological construct entrepreneurial orientation (EO) with business success in a sample of
248 South African business owners. The results revealed significant relationship between entrepreneurial orientation and business success. The most component E.O. component for performance were the owner’s achievement orientation and personal initiative.

10) Nikolous & Luthje (2004) in their study compared the entrepreneurial intention of students of two German Universities with the corresponding results for a leading institution in this field. Massachusetts institute of Technology (MIT). The sample consisted of 928 students from two German Universities and M.I.T. in US. The three constructs used for the study were attitude towards being self employed, willingness to take risks, need for independence and locus of control. The findings indicate that at MIT students entrepreneurial intentions are stronger and more ambitious in terms of business growth. It was found that the personality tracts associated with entrepreneurship were similarly distributed among all the students. MIT students had a higher willingness to take risks and stronger internal locus of control, but at the same time showed a lower need for independence. The personality predispositions did not explain the entrepreneurial intentions. Thus the perception of the environment was found to explain these differences. MIT students rated the environmental factors more favourable than their German counterparts.

11) Maragaret, E (2008), in her study of 800 final year management students of 8 universities in Nigeria investigated their aspiration to start their own business. It was found that only 12.4% of the would be graduates aspire to start their own business. The reasons for not standing their business were found to be no take off funds, inadequate preparation to face demands of business and poor attitude of Nigerians towards Nigerian goods.

12) James J in his study investigated the proportion of nascent ventures that became new organisation based on the work of Katz and Gartner. Katz and Gartner specified four properties of emerging organizations, intention, boundary, resources and exchange. The study was based on data obtained
from the third national impact of the counseling activities of the small business development center (SBDC) program in the United States in 1992. In 1992 the participating SBDC’s provided long term assistance to 43,461 elements. The sample for the study consisted of 5396 clients who responded to the mail questionnaire. The focus of the analysis was on those clients who sought assistance in starting a business but had not yet so at the time of the SBDC's intervention. In the context of this study, clients provided data on the year their business was started, or if it was not started. It was found that almost 78 percent of the nascent ventures had become organisations. The findings suggest an optimistic picture on the ability of aspiring entrepreneurs to fulfill their start up goals.

13) Chris, et al conducted a study of undergraduate students at UTAD a Portuguese University in the less developed interior of the country to evaluate the extent to which the students might wish to create their own companies on graduation and to analyse the personal attributes and competencies that influenced such intentions. The sample for the study consisted of 640 OTAD undergraduates. The questionnaire contained 18 questions, which included demographic descriptors as well as data on previous professional experience, academic performance, and individual’s social context. It was found that the entrepreneurial propensity of students at UTAD is reasonably high around 24%. Although a reasonable amount of students in Portugal would like to start their own business, their intentions are hindered by inadequate preparation, i.e. lack of practical business knowledge and entrepreneurial preparation on demographic factor (gender), one psychological factor (risk) and two contextual factors (students declared profession of choice and academic training) were found to significantly affect students interest in and motivation in starting their own business makes were found to be more interested to establish their own enterprises than females. The findings also demonstrated that university training in general is a factor that significantly influences student’s propensity to seriously contemplate establishing their own enterprises and take concrete steps to turn their intentions into realities.
14) Francisco in a study of 166 University students tried to validate the intention model of entrepreneurship. The result confirmed the validity of the model. The demographic, variables, personality traits, social economic variables, experience and education were found to have an indirect effect on the intention to be an entrepreneur. The entrepreneurial intention among Andalusian students was found to be low (61%) as compared to a similar study carried out in Catalonia (68.2%).

15) Stephon and Melvin in their study of 145 retired Military officers of the Singapore Armed forces (SAF) identified the key motivations and barriers to starting an entrepreneurial venture among mid career individuals. It was found that the respondents were motivated by various factors for starting their business. The need to challenge oneself was ranked as the most important voluble. This was followed by the need to realize ones dream and a desire to take advantage of ones own creative talent. They were also motivated by a set of variable that related to the issue of independence and autonomy. Another set of motivating variable was financial in nature. They included the desire to earn more money, keep a large proportion of the proceeds, receive a salary based on merit and provide for a comfortable retirement.

16) The respondent was found to be hundred by myriad of reasons for not starting a business. Bad economic indicators in general were ranked as the most inhibiting start up obstacles to business formation. This was followed by fears from having risks that were greater than initially expected and uncertainty of the future. The next set of barriers related to a lack of skills or resources. A third set of barriers were the high cost of entry that were associated with business failure, shortage of labour, high taxes and fees, need to compliant with Government regulations, lack of suitable premises and business set up.

17) Fitzsimmons and Douglas in their study of 414 students investigated the entrepreneurial interaction of these students. The respondents were asked to evaluate a series of hypothetical career profiles and decide on attractiveness of each profile presented. The hypothetical scenarios presented were based on
five attributes; these were income, risk, work effort, independence and ownership. The Australian sample desired more ownership, more income, more independence and less risk. The Chinese sample indicates that ownership, income, work effort, independence and risk are significant in explaining variance in career decisions. The results for Indian sample indicate that ownership, income, independence and risk are significant in explaining variance in career decisions. The results for the Thailand sample indicate that ownership, income, work effort, independence and rest are significant in explaining variance in career decision. Overall analysis indicated that attitudes to income, independence, risk, and ownership significant in explaining an individual career decisions across all four countries. The Thai and Chinese samples were found to have higher intentions on average to start a business within the next two years compared to the Australians or Indians. In the Australian sample, the intention to start a new business was positively and significantly related to ownership, income and risk tolerance. The Indian sample indicated that ownership, income and independence were significant in their decision to start business. In contrast, only the ownership attitude was significant in the Thai sample. Overall the result for each country indicated differences in the degree to which entrepreneurial attitudes explained variance in entrepreneurial intentions, with attitudes to ownership being the most significant indicator of entrepreneurial intentions.

18) Dominique et al in their study investigates what can be called entrepreneurial spirit? How does an entrepreneurial spirit arise prior to the decision to set up a business? How can the components of an enterprising spirit be defended? What are the possible teaching methods valuable within the engineering college training? The enterprising spirit was thought of as a set of positive attitudes as regards the notion of enterprise. The expression of an enterprising spirit was thought as the intention to create a business. The components of the intention to be an entrepreneur were found to be a) favourable attitude as regards entrepreneurship b) Interiorised social standards related to an entrepreneurial behaviour and c) The feelings of having entrepreneurial skills of self control and ability to get to success.
19) Josee in his study presented a longitudinal study of entrepreneurial intentions among University students enrolled in business Administration program. The sample for the study was 107 third year undergraduate business students from Concordia University in Montreal, Canada. The study found that the probability of launching their business in the next three years at 25% which is fairly low. Its the long turn the probability was found to be 61% perception of desirability and perception of feasibility variables explained 49% of the variation in the long term intention to start a business, compared to only 82% in case of short term intention. The perceptions of desirability the feasibility of starting a business significantly explain the intention to go into business at some point in life.

20) Tatiana and Lars in their study of 317 university business students in St. Petersburg in Russia investigated whether the theory of planned behaviour and the model of the Entrepreneurial event can be integrated into one model of entrepreneurial intentions. It also investigated whether different definitions of entrepreneurial intent, the intention to become self employed and the intention to start a business make a difference in the model.

21) Othman and Ishak (2009) investigated the influence of attitude on choosing a career in entrepreneurship among graduates in Malaysia. The sample consisted of 266 participants of the graduate entrepreneurial scheme. The findings showed that graduates had a high inclination towards entrepreneurship which in turn was related to high aspiration level. Graduates were also found to have a high attitude profile towards entrepreneurship in all the attitudinal components achievement need, internal locus of control, competitiveness, autonomy and monetary value, based on demographic, educational and situational factors. It was found that internal locus of control; monetary value and autonomy were significant factors that unspire graduate towards entrepreneurship.
22) Shepherd and Douglas in this study investigated career decision making through compending career decision maker's attitudes towards independence, risk, work effort and income. They examined four main attitudes of people who are in the process of choosing between career alternatives and expected that there attitude were associated with the degree of intention to become an entrepreneur.

23) There attitudes were i) independence, ii) financial risk, iii) hard work and iv) income. The sample for the study consisted of 102 final year Masters students at a top mid west business school. The result of the study found that income was the most important attribute in impending career decision maker's choice among career alternatives. The second most important career attribute was independence, third was risk and fourth was work effort required. Those who had a stronger intention to become an entrepreneur had a more positive attitude towards independence than those who had a weaker intention to become an entrepreneur. Those who had a stronger intention to become an entrepreneur also had a more positive attitude towards risk he less negative attitude, than those with a weaker intention to be an entrepreneur.

24) Gurrero et al (2008) in this stably focused on analysing the relationship between desirability and feasibility on university student’s intentions to create a new firm in Catalonia. The sample consisted of 719 university students in university J Barcelona (UAB) and Technical University of Catalonia (UPC). It was found that 77% of the total sample considered desirable to create a new firm.

25) Ten percent show a probability of more than 50% to create a firm in the near future and 40% considered the possibility of creating a new business some moment of this life. It was found that there is a significant and positive relationship between credibility (the desirability and feasibility) and the intention to create a new venture.
26) Drennan and Salch in their study examined the impact of childhood experiences on entrepreneurial intentions in Bangladesh. The sample consisted of 378 MBA students from three Bangladeshi Universities. It was found that those individuals who perceive their childhoods to be harder or more challenging than other are more likely find starting a business more desirable and more feasible than those who perceived their childhood to be easier. It was found that perceived feasibility and perceived desirability have a direct influence on entrepreneurial intentions. Subjective norms however did not have a statistically significant influence.

27) Basu and Vench in their study of 123 students at explored and evaluated the entrepreneurial intentions and their antecedents. It was found that those who have prior education in entrepreneurship have more positive attitudes towards career in entrepreneurship. It was also found that entrepreneurial intentions were significantly higher for those whose fathers are self employed. Their findings regarding subjective norms suggest that students who are more confident in their ability based on practical experience are less influenced by perceived social norms about entrepreneurship.

28) Rozan, M., (2001) in his study investigated the entrepreneurship dimensions that perceive desirability towards entrepreneurial intention. The sample consisted of 129 information technology entrepreneurs from Malaysia.

29) Garis and Gibson (2008) in their study examined the entrepreneurial attitudes of undergraduate student's entered in small business programme at various universities in USA. The sample consisted of 216 students. The results indicated that the majority of the students possessed entrepreneurial attitudes further more both student characteristics and entrepreneurial experience were found to be associated with certain entrepreneurial attitudes specifically male students scored higher on both personal control and innovation and students with family business experience had more developed entrepreneurial attitudes.
30) Henderson & Robertson (2000) in this study of 117 final year undergraduate students of business studies to investigated what the respondents knew about entrepreneur and examine the influence on young people as they pursue their career choice. It was found that all the respondent had it positive immersion about entrepreneurs. The most frequently associated keywords with the term entrepreneur were "risk taker", motivated, ambitious and successful. In examining who are what influenced respondents career choices the dominant factors were their own experience together with family views. Teachers and career guidance counselors were perceived to have little impact.

31) Jones et al (2008) in their study evaluated the delivery an enterprise education course in valuating its impact in encouraging entrepreneurial activity. The sample for the study consisted of 109 students in Poland. The study found that polish students had limited prior entrepreneurial experience and expectation and welcomed the opportunity to undertake enterprise education. The findings suggested that an equal proportion of male and female students aged 18-24 favored a future entrepreneurial career. The findings suggested that entrepreneurial education informs entrepreneurial intent and career aspirations.

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