

**Proclivity Of The Arts And Science College Students Towards  
Entrepreneurship In Chennai: An Empirical Study**

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**Abstract:**

*The purpose of this paper is to examine the entrepreneurship perception and entrepreneurship intention of Arts and Science of Chennai City and to find out whether they are ready for the market challenges and risk taking which are part of entrepreneurial activities. Entrepreneurs play a major role in accelerating the pace of economic development with their innovative and creative approach to produce goods and services. This article examines whether students perception on risk taking propensity, internal locus of control, attitude towards entrepreneurship, perceived barriers, perceived support and entrepreneurial intent vary based on the demographic variables. The data for this research paper was collected from students pursuing their final year in arts and science colleges in Chennai. The research findings have implications for educators and policy makers.. A questionnaire survey was adopted to collect the primary data from the respondents whom they were randomly selected, total of 278 questionnaires were received. The study findings indicate the satisfying level of students intentions on entrepreneurship and their willingness to put their efforts in entrepreneurship activities. Furthermore, it is suggested that entrepreneurship education should centre on development of competencies related to entrepreneurship and cultural awareness. This study not only addressed the missing gap in current literature upon entrepreneurship, but provided implications for College educators.*

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**Keywords:** Entrepreneurship, Risk Taking, Entrepreneurial intention, Entrepreneurship education and College Students.

## **1. Introduction:**

Entrepreneurship has been found as an important driver of economic growth, productivity and social development; however, academicians, practitioners and policymakers recognized its importance recently. People exposed to entrepreneurship reported great benefits including freedom in decision making, higher self-esteem, challenge and greater sense of control (Nickels, McHugh and McHugh, 2010). Bakotic and Kruzic (2010) noted that the entrepreneurship promotion has become one of the main issues in public policy of the most of industrial countries. In this context, well educated entrepreneurs are top priority.

Entrepreneurs are the pillars on which the economic health of societies is built. Entrepreneurship has been identified as the fourth factor of production. Entrepreneurship is very important for further social development through increased job opportunities and consequent economic prosperity. Most developed economies attribute their success to the vibrant entrepreneurs being churned out by the education system of their countries. Education should promote entrepreneurial attitude and capability among the youth enabling them to start new ventures which in turn mitigates unemployment in any country. Formal education and training can play a vital role in enhancing entrepreneurship in the country by increasing the number of individuals who start their own enterprise. This study focuses on exploring the factors which influence the entrepreneurial intent of students. Efforts can be taken to nurture the entrepreneurial spirit when they are in college which will in turn motivate them to consider entrepreneurship as a career choice.

According to Ajzen (1991) “Attitudes toward the behavior, Social norms with respect to the behavior, and perceived control over the behavior are usually found to predict behavioral intentions with a high degree of accuracy. In turn, these intentions, in combination with perceived behavioral control, can account for a considerable proportion of variance in behavior”

## **OBJECTIVES OF THE STUDY**

1. To examine impact of demographic variables of the college students on risk taking propensity, internal locus of control and entrepreneurial attitude.

2. To assess the influence of environmental factors such as perceived support and perceived barriers on entrepreneurial intention of the college students in Chennai.
3. To give valuable suggestion based on the findings.

Following hypotheses are formulated:

*H<sub>1</sub>: There is a positive and significant relationship between Social Norm and Personal Attitude among undergraduate students in Chennai*

*H<sub>2</sub>: There is a positive and significant relationship between Social Norm and Perceived Behavior control among undergraduate students in Chennai*

*H<sub>3</sub>: There is a positive and significant relationship between Social Norm and Entrepreneurial Intention among undergraduate students in Chennai*

*H<sub>4</sub>: There is a positive and significant relationship between Personal Attitude and Entrepreneurial Intention among undergraduate students in Chennai*

*H<sub>5</sub>: There is a positive and significant relationship between Perceived Behavioral Control and Entrepreneurial Intention among undergraduate students in Chennai*

*H<sub>6</sub>: There is a positive and significant relationship between Personal Attitude and Perceived behavioral Control among undergraduate students in Chennai*

## Method

### Measures and Instrument

All scales in this study were measured on seven point Likert scales ranging from 1 with Strongly disagreement to 7 with strongly agreement. A seven Likert-scale method was used because of its accuracy and reliability (Sekaran, 2010). A review of the literature revealed different models testing the Entrepreneurial Intentions (EI). However, the theory of planned behavior provides a general framework to analyze the entrepreneurial intention of a person (Ajzen, 1991). This framework is deemed an appropriate tool to model the development of EI through pedagogical processes and learning contexts (Paco, et al., 2011). Therefore Ajzen (1991) model has been used in this study. Entrepreneurial Intention (EI) was measured using six items scale originally developed by Ajzen (1991). Personal Attitude (PA) was measured using five items. Social Norm (SN) was measured using three items and Perceived Behavioral Control

(PBC) was measured using six items.

## ***Data Collection***

Data were collected from a sample of 278 College students at Chennai. During the data collection process, the self-administered questionnaire, including a cover letter, was delivered to the respondents. Questionnaires were distributed and collected randomly by faculty members during their regular classes. The questionnaire included questions about four factors; EI entrepreneurial Intentions, SN Social Norms, PA Personal Attitude, and PCB Perceived Behavioral Control.. Moreover, the instrument was internally consistent with positive Cronbach's Alpha for all factors ranging from 0.81 for Social norms to 0.94 for entrepreneurial intentions.

## ***Validity and Reliability***

The questionnaire was tested for content validity via College academics from the faculty of science and humanities at Chennai with research and academic background. Also the reliability coefficient for the different dimensions (Cronbach's Alpha) ranged from 0.90 to 0.95 for the various items. The EI Entrepreneurial Intentions dimension represents the dependent variable while the other dimensions (SN, PA, PBC) represent the independent variables testing their impact on the levels of Entrepreneurial Intentions by College students at PSU.

## **Results and Analysis**

### **Descriptive analysis: General Demographic**

Describing the relationship between a sample and its population is very significant and, in order to convey such a relationship, we must be able to describe it in terms of characteristics that are common to both, the sample and its parent population (Oppenheim, 1992). Therefore, this section is mainly concerned with presenting a descriptive analysis of the sample to provide an overview of the respondent characteristics. It aims to provide a brief description of the respondent's demographic variables

**Table 1: DEMOGRAPHIC FACTORS**

| <b>Gender</b>      | <b>Frequency</b> | <b>Percent</b> |
|--------------------|------------------|----------------|
| Male               | 214              | 77.5%          |
| Female             | 64               | 22.5%          |
| <b>DEPARTMENT</b>  | <b>Frequency</b> | <b>Percent</b> |
| B.COM              | 203              | 72.5%          |
| BSC Bio -Tech      | 10               | 3.6%           |
| BCA                | 29               | 10.4%          |
| BA                 | 2                | 0.7%           |
| BSC viscom         | 34               | 12.1%          |
| <b>Year</b>        | <b>Frequency</b> | <b>Percent</b> |
| First Year         | 13               | 4.6%           |
| second Year        | 40               | 14.3%          |
| Third Year         | 225              | 77.05%         |
| <b>Nationality</b> | <b>Frequency</b> | <b>Percent</b> |
| Indian             | 236              | 84.3%          |
| Non Indian         | 42               | 14.6%          |

As illustrated in Table 1, 77.5 percent of the respondents were males while females accounted for only 22.5 percent. This is very much expected in this environment in a male dominated society specifically in terms of start ups and entrepreneurial businesses. This does not discount the 23 percent of women trying to start businesses independently or joining their parents, husbands or relatives.

72.5 percent of the sample was from the commerce, 10.4 percent from the computer science and the rest of the sample was from other faculties viscom and the biotechnology. Commerce students are more into the process of thinking and reflecting on business careers in general, and initiating their own ventures in particular, more than other areas or disciplines.

Table (1) below shows also that 77 percent of the sample was last year students while the rest were distributed over the freshman and sophomore levels. Naturally students start planning

and thinking about their future careers at later stages of their college life. This explains the skeweness in proportion towards last years at college.

## Descriptive Analyses of Main Variables

### Students Personal Attitudes towards Entrepreneurship

Table (2) below reveals the means and standard deviations of the main factors in this study, including Personal Attitude, Social Norms, perceived behavioral control, and entrepreneurial intentions. The analysis of these factors is based on 7 measurement scale (7 means strongly agree, 1 strongly disagree, and 4 is moderate agreement). This scale was developed and used by Ajzen (1991) and tested for validity and reliability.

The first item; *“being an entrepreneur implies more advantages than disadvantages to me”* with a mean of 5.08/7 and standard deviation of 1.5. The mean for the second item *“A career as entrepreneur is attractive for me”* in Personal Attitude rated 5.34/7 with a standard deviation of 1.67. The mean for the third item *“If I had the opportunity and resources, I’d like to start a firm”* rated 5.65/7. The item *“Being an entrepreneur would entail great satisfactions for me”* rated 5.44/7 with standard deviation of 1.59. The last item *“Among various options, I would rather be an entrepreneur”* rated 5.07/7 with standard deviation of 1.63. A close look at the scale of personal attitude towards entrepreneurship indicates that the overall average is positive with 5.40, which means that students have a positive personal attitude towards entrepreneurship while not very strong one. However, when it comes to their preferences and priorities *“Among various options, I would rather be an entrepreneur”* the mean average was the lowest 5.07 when compared to 5.65 *“If I had the opportunity and resources, I’d like to start a firm”*

This shows that opportunity and resources, according to students’ perceptions and attitudes, are the keys behind starting new business. As student, it is very clear that opportunity and resources are not in their hands yet but if they have it they would go into starting their own businesses. On the other hand, the relatively high standard deviation indicates some dispersions and low consensus over those responses. This might be referred to the differences between male and female or local students vs. international students.

Table (2) Personal Attitude (Total Average means = 5.40).

| Items                                                                  | Mean | Std. Deviation | Cronbach's Alpha if Item Deleted |
|------------------------------------------------------------------------|------|----------------|----------------------------------|
| Being an entrepreneur implies more advantages than disadvantages to me | 5.08 | 1.529          | .942                             |
| A career as entrepreneur                                               | 5.34 | 1.669          | .941                             |

|                            |      |       |      |
|----------------------------|------|-------|------|
| is attractive for me       |      |       |      |
| If I had the opportunity   | 5.65 | 1.626 | .941 |
| and resources, I'd like to |      |       |      |
| start a firm               |      |       |      |
| Being an entrepreneur      | 5.44 | 1.589 | .940 |
| would entail great         |      |       |      |
| satisfactions for me       |      |       |      |
| Among various options, I   | 5.07 | 1.711 | .939 |
| would rather be an         |      |       |      |
| entrepreneur               |      |       |      |

*Social norms*

Table (3) below about the Social norms of the respondents measured by 7 scale of three items referring to the source of influence and motivation behind student's attitudes towards entrepreneurship. The total mean average was positive at (5.49). this means that friends, the family or associates can have a great deal of influence encouraging students to think or plan for starting their own firms after graduation. However, students seem to be relatively more encouraged by their parents and family (mean = 5.66) and friends (mean = 5.57) than colleagues (mean = 5.24). Students can be more affected by their parents' opinion because they simply rely on them for financial support given the Indians culture and family structure. Still consensus and agreement is low in this factor with standard deviation ranging from 1.63-1.74.

Table (3) Social Norms, average mean=5.49.

| Items                    | Mean        | Std.<br>Deviation |
|--------------------------|-------------|-------------------|
| <b>Your close family</b> | <b>5.66</b> | <b>1.741</b>      |
| <b>Your friends</b>      | <b>5.57</b> | <b>1.627</b>      |
| Your colleagues          | 5.24        | 1.728             |

*Perceived Behavioral Control*

Table (4) below illustrates the means and standard deviation of behavioral control among College students showing that their total mean is around average. This factor was measured using six item statements. The lowest was item number one; “to start a firm and keep it working would be easy for me” ranked (3.95) with standard deviation of 1.56 while the highest was “If I tried to start a firm, I would have a high probability of succeeding” ranked (4.67) with standard deviation of (1.50). Other statements ranked in between like “I am prepared to start a viable firm”(4.08), and “I know the necessary practical details to start a firm” (4.27). this low mean average for this factor when compared with the other three factors can be attributed to some degree of reluctance and hesitation on the part of college students perhaps because their self-confidence of being able to take risk and try to build their firms or start a business from scratch is something beyond their capabilities and thinking process at the time being.

Table (4) Perceived Behavioral Control (mean average =4.25)

| Items                                                                            | Mean        | Std. Deviation |
|----------------------------------------------------------------------------------|-------------|----------------|
| To start a firm and keep it working would be easy for me                         | 3.95        | 1.562          |
| I am prepared to start a viable firm                                             | 4.08        | 1.590          |
| <b>I can control the creation process of a new firm</b>                          | <b>4.28</b> | <b>1.536</b>   |
| I know the necessary practical details to start a firm                           | 4.27        | 1.629          |
| I know how to develop an entrepreneurial project                                 | 4.27        | 1.633          |
| <b>If I tried to start a firm, I would have a high probability of succeeding</b> | <b>4.67</b> | <b>1.529</b>   |

*Entrepreneurial Intention*

The Entrepreneurial intention of the sample respondent in Table (5) below was measured



by six items. The total for all statements averaged (5.27). This indicates a little above average level of the intention of the sample respondents to initiate their own businesses. However, the lowest item was the first item “I am ready to do anything to be an entrepreneur” (4.95) and its standard deviation reached 1.76, while the highest item was the last item; “I have the firm intention to start a firm some day”(5.57) with standard deviation of (1.71). “I will make every effort to start and run my own business” averaged (5.32) and standard Deviation of (1.74). This factor indicates, somehow, a moderate level of determination, albeit higher than the previous factor; the perceived control. This might be explained by relatively high level of intention while the actual reality of students lack some control over their current behavior to decide. But when it comes for the future

Table (5) Entrepreneurial intention (mean average = 5.27).

| Items                                                                | Mean        | Std.<br>Deviation |
|----------------------------------------------------------------------|-------------|-------------------|
| I am ready to do anything<br>to be an entrepreneur                   | 4.95        | 1.761             |
| My professional goal is to<br>become an entrepreneur                 | 5.15        | 1.743             |
| <b>I will make every effort<br/>to start and run my own<br/>firm</b> | <b>5.32</b> | <b>1.735</b>      |
| <b>I am determined to<br/>create a firm in the<br/>future</b>        | <b>5.45</b> | <b>1.654</b>      |
| I have very seriously<br>thought of starting a firm                  | 5.19        | 1.786             |
| <b>I have the firm intention<br/>to start a firm some day</b>        | <b>5.57</b> | <b>1.717</b>      |

### Correlation Analyses: Hypotheses Testing

Table 6 below shows that correlation between all variables is significant ranging from 0.29 for perceived behavioral control and social norms to ( $r = 0.77$ ) between personal attitude and

entrepreneurial intention. From the Table 6, it was observed that there was a strong and positive relationship between Social norms and Personal Attitude ( $r=0.48$ ), therefore,  $H_2$  is supported. Similarly Social Norms and Perceived Behavioral Control and Entrepreneurial Intentions showed a positive and significant relationships ( $r=0.29$ ,  $r=0.36$ ). Hence,  $H_3$  and  $H_4$  are supported. One of the hypotheses of this study was to assess the relationship between Personal Attitude and Entrepreneurial Intentions. Results in Table 7 show that the relationship between personal attitude and entrepreneurial intention ( $r=.77$ ) is the highest and is also in line with the regression result; Adjusted R Square is above 74%. Therefore,  $H_5$  is supported. Correspondingly, the relationship between Personal Attitude and Perceived Behavioral Control found positive and strong ( $r=0.51$ ). Thus,  $H_7$  is supported. Finally, the relationship between Perceived Behavioral Control and Entrepreneurial Intentions was tested thorough the correlation and found a significant and positive relationship ( $r=0.60$ ). Thus,  $H_6$  is supported. Furthermore, this correlation in Table 7 confirms that all direct and indirect impact variables are associated leading to a direct and indirect impact on entrepreneurial intentions of College students to pursue entrepreneurial businesses. However, the association, while significant, is the lowest between Social norms and perceived behavioral control (0.29). This shows some weak relationship between the impact of relatives and friends at one hand, and the impact of the self and the individual control on his behavior. This is might be justified people at this age begin to believe that he can decide for himself away from external influence and interference. The findings related to this correlation were relatively consistent with previous studies (Armitage, and Comer, 2001; Fayolle, and Lassas-Clerc, 2006; Krueger et.al 2000).

**Table 6:Correlation between Variables**

| <i>Correlation</i>                          | <i>Entrepreneuri<br/>al Intention</i> | <i>Perceived<br/>Behavioral<br/>Control</i> | <i>Social<br/>Norms</i> | <i>Personal<br/>Attitude</i> |
|---------------------------------------------|---------------------------------------|---------------------------------------------|-------------------------|------------------------------|
| <b>Entrepreneurial<br/>Intention</b>        | 1                                     |                                             |                         |                              |
| <b>Perceived<br/>Behavioral<br/>Control</b> | 0.60**                                |                                             |                         |                              |
| <b>Sodal Norms</b>                          | 0.36**                                | 0.29**                                      |                         |                              |
| <b>Personal<br/>Attitude</b>                | 0.77**                                | 0.51**                                      | 0.48**                  | 1                            |

\*\*. Correlation is significant at 0.01 level (2-tailed).

## Conclusion

The aim of this paper was to investigate the entrepreneurship perception and entrepreneurship intention of Arts and Science of Chennai City and to find out whether they are ready for the market challenges and risk taking which are part of entrepreneurial activities. More research is needed in this area and in this environment. Specifically, fact of the matter is that the Chennai is going through unprecedented demand and business growth. Therefore, programs on entrepreneurship and entrepreneurial training should be taken into considerations in order to improve the situation in the understudy College as well as in other universities in the Chennai. College curriculum should be revisited and concentration as well as new courses on Entrepreneurship should be introduced in the curriculum.

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