

EXAMINING THE ENTREPRENEURIAL ATTITUDES OF MBA STUDENTS: THE EFFECTS OF ENTREPRENEURSHIP EDUCATION ON ATTITUDES

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ABSTRACT

Entrepreneurship contributes immensely to the economic growth and thereby plays a vital role in the development process. Despite the efforts of support organizations and entrepreneurship development centers, much is to be done to make entrepreneurship as an attractive career for students across the nation. In this regard, entrepreneurship education has gained importance and is drawing the attention of policy makers, academicians and researchers. Development of entrepreneurship is essentially dependent on the entrepreneurial attitude. This study is mainly focused on investigating the Entrepreneurial attitudes of MBA students. The study also aims to find whether exposure to entrepreneurship education or activities could orient the students towards entrepreneurship in their future. The researcher did an empirical study in four districts of Rayalaseema region of Andhra. Pradesh, India. The data has been collected from the MBA students of selected colleges. The study found significant difference in the entrepreneurial attitudes because of exposure to entrepreneurship course and entrepreneurial activity.

Key Words: Entrepreneurship, Economic growth, Attitudes, Students, Education

LINTRODUCTION

The idea of Entrepreneurship is gaining a lot of importance especially among the young people [1]. By and large, it refers to the broad course of activity taken up by proprietor or owner of business in beginning, establishing and overseeing all the operations of the industrial unit with a profit motive. An activity of managing an enterprise for profit and growth has been explained as entrepreneurship [2].

An important tenet of entrepreneurship is the ability to create new and useful ideas that solve the problems and challenges people face every day. Entrepreneurs create value in the market place combining resources in new

and different ways. An economy is the final result for which entrepreneurship is the reason [3]. Entrepreneurship contributes immensely to the economic growth and thereby plays a vital role in the development process. Entrepreneurial action, in various ways and means (nascent, start-up, intrapreneurship), is related with the economic development [4].

The importance of developing entrepreneurship need not be over emphasized. In India, entrepreneurship was initially displayed in only certain communities. Faced with the problem of limited supply of entrepreneurship, Government of India has taken several positive measures during the plan periods not only to develop entrepreneurship but also to promote small scale units [5]. Despite the efforts of support organization and entrepreneurship development centers, it is felt that much is to be done to make entrepreneurship as an attractive career. In this regard, entrepreneurship education has gained importance and is drawing the attention of policy makers, academicians and researchers.

The growth of entrepreneurship depends on the entrepreneurial attitudes. It requires special mindset coupled with energy and courage to take risk and to start a venture.

Attitude of an entrepreneur is the key in entrepreneurship, thus the degree to which one has favorable inclination towards it is required for being an entrepreneur. Higher attitude indicates that the person is oriented towards entrepreneurship than other occupational options. "Attitude has an influence on the particular behavioral pattern and relies on the individual's belief system about the expected behaviors" [6]. Entrepreneurial attitude forecasts entrepreneurial intentions which lead to individual behavior.

According to Reference [7] "Entrepreneurial attitude is personal perceptions toward the value, benefit and favorability of entrepreneurship which highly affects their intention to step into new venture creation".

II. ENTREPRENEURSHIP EDUCATION AND ITS IMPORTANCE

Since entrepreneurship education was introduced by the United States in the 1940s, this concept has been adopted and integrated into education in many countries as a component of new economic strategies for fostering job creation [8]. In 1998 world conference, UNESCO identified the importance of entrepreneurship and advocated teaching entrepreneurship in higher education [9]. This education instills in students enough motivation, knowledge, and competencies required for starting up a successful unit [10].

Entrepreneurship education focuses on developing entrepreneurial knowledge, capacity, skills as well as entrepreneurial attitudes and intentions that are congruent with the needs of the economy. Education plays an important role in catalyzing Entrepreneurship, especially in the highly skilled and knowledge-driven sectors [11].

III. LITERATURE REVIEW

The work of Reference [12] was one of the first to use an attitudinal scale to predict entrepreneurial activity. Attitudes tend to change across time and situations through an interactive process with the environment, and once a person's attitude has been measured, a prediction can be made about the person's future actions.

The theory of planned behavior argues that attitudes are precursors to intentions which are antecedent to behaviors [7]. More specifically, attitudes have a behavioral component (along with affective and cognitive components) that consists of behavioral intentions and predispositions to act in a particular way toward some subject.

Reference [13] argue that attitudes are linked with entrepreneurial intentions, especially in perceived feasibility and desirability. They suggest that attitudes are partly derived from prior exposure to entrepreneurial activities, including both breadth and positiveness of prior activities. Later, research by Reference [14] and Reference [15] supports Reference [13] propositions about entrepreneurial intentions. Studies found that attitudes are more likely to be influenced by educational programs than are personality traits since they are learned and/or experience based.

Based on prior research on personality, attitudes, and entrepreneurship, Reference [12] developed the Entrepreneurial Attitude Orientation (EAO) model to measure entrepreneurial attitudes. The subscales of the EAO measure individuals' attitudes on four constructs: 1. Achievement (Results associated with the start and growth of a business). 2. Innovation (Using innovative methods in business activities). 3. Personal Control (Individual's perception of control and influence over his/her business) and 4. Self- Esteem (It relates to self-confidence and perceived competency in business affairs).

IV. OBJECTIVES OF THE STUDY

The study aimed at assessing the Entrepreneurial attitudes among MBA students and the effect Gender, Entrepreneurship course and past business experience had on their attitudes. Research shows that entrepreneurial attitudes and skills can be developed and refined within the framework of entrepreneurship education programs.

Research hypotheses

Based on findings of past researches and theoretical frameworks, the hypothesis presented in this analysis is:

H1: Male students will have stronger entrepreneurial attitudes than female students.

H2: Students with exposure to entrepreneurship course will have stronger entrepreneurial attitudes than those without exposure to entrepreneurship course in MBA.

H3: Past entrepreneurial experience and exposure to entrepreneurial activities will result in stronger entrepreneurial attitudes for those students that have experienced them than for those who have not.

V. METHODOLOGY

This research-design applied the method of cross sectional survey using questionnaires, which were distributed to the final year business MBA students of selected colleges in Rayalaseema Region, Andhra Pradesh, India.

The research instrument was organized into 2 parts. In the first part 'A' of the survey instrument, questions related respondent's background, entrepreneurial courses or seminar that he/she has attended and Experience. In part 'B' of the instrument, participants were requested to express their opinion to each statement on a five point scale ranging from Strongly disagree to Strongly agree. This part covered the entrepreneurial attitudes of the students. Question were based the EAO which was developed by Robinson et al. The EAO Scale was modified to suit the study.

The total students of sample institutions are considered as respondents for the present study. About 1638 questionnaires were distributed in all the selected institutions. Out of them 963 questionnaires could be recollected by the researcher within the scheduled time making the response rate approximately 59%. On perusal, it was found that a few response sheets were incomplete and few were not marked properly. Hence, those sheets were eliminated. Finally the sample consisted of 841 respondents.

Reliability test result

Cronbach's alpha measurements were calculated for the four subscales of Entrepreneurial attitudes i.e. Innovation, Achievement, Personal Control and Self –Esteem. The reliability coefficients range from 0.729 to 0.849. All the reliability coefficients exceeded the minimum acceptable degree of 0.6. Hence the researcher able to conclude that the item measuring the entrepreneurial attitudes are reliable.

Hypothesis testing

All hypotheses were tested using independent samples t-test and determination of significance were based upon a $p < 0.05$ standard.

VI. RESULTS AND DISCUSSION

H1 proposed that male students would have stronger entrepreneurial attitudes than did their female counterparts. This hypothesis was not supported at the $p < 0.05$ level for any of the business attitudes of interest. For Innovation attitudes, male students possessed mean score of 3.8216, whereas females students possessed a mean

of 3.8008; for Achievement attitudes the means were 3.8632 and 3.8242, respectively, for personal control the mean scale scores were 3.8749 versus 3.8341, and for self-esteem, males had a mean score of 3.7617 versus 3.6968 for females. The mean score for male students is higher than that of female students in all the subscales but the difference is not statistically significant for any of the subscales. Previous study by Reference [16] also found no significant difference according to gender.

H2 anticipated that Students with exposure to entrepreneurship course will have stronger entrepreneurial attitudes than those without exposure to entrepreneurship course in MBA. This hypothesis is partially supported. The independent t-test analysis indicated that those who have exposure to entrepreneurship course had a mean score of 3.9086 for personal control attitudes, those without any exposure had a mean of 3.7841, and the means differed significantly($t(839)=2.884$, $p<0.05$). Similarly, a statistically significant difference was found for Self esteem attitudes; students with exposure to entrepreneurship course had a mean of 3.8092 Versus 3.6263 for students without exposure. Neither Innovation in business (students with exposure had a mean of 3.8425 Versus 3.7697 for those without) nor Achievement in business (students with exposure had a mean of 3.8761 Versus 3.8050 for those without) supported H2 at the $p< 0.05$ level. In other words we say the education of the students influence the attitude of the student. The mean scores of those who have completed the course on entrepreneurship is more than those who have not completed. The findings are consistent with those of similar studies such as Reference [16].

H3 anticipated past entrepreneurial experience and exposure to entrepreneurial activities will result in stronger entrepreneurial attitudes for those students that have experienced them than for those who have not, the findings were not completely consistent. In particular, the degree to which one had exposure to previous entrepreneurial activities appeared to play a role in how many and which attitudes were impacted. Results indicated that those who had worked for a small business had a mean Innovation attitude of 3.7193, whereas those who did not have had a mean Innovation attitude scale score of 3.8282, attitudinal difference was significant ($t(839)= -1.974$, $p<0.05$). Similarly, a statistically significant difference was found for Achievement attitudes , students who had worked in small business had a mean of 3.7495 Versus 3.8631($t(839)= -1.984$, $p<0.05$). who had not. For self esteem attitudes, students who had worked had a mean of 3.6121 versus 3.7552($t(839)= -2.235$, $p<0.05$). who had not. In case of personal control attitudes, students who have worked in small business had a mean of 3.7767 versus 3.8714 who had not. The difference was not statistically significant at $p<0.05$ level. The results were contrary as those who have not worked in small business were having mean score higher than those who have. Similar results were obtained in the study by Reference [17].

H3 received greater support when the form of previous exposure was having small business (Parents or close relative). In this instance, attitudes related to Innovation in business(mean score of 3.8927 versus 3.7715; $t(839)= 3.174$, $p<0.05$), Achievement in business(mean score of 3.9414 versus 3.7982; $t(839)= 3.579$, $p<0.05$), perceived Personal control of business outcomes(mean score of 3.9329 versus 3.8194; $t(839)= 2.727$, $p<0.05$)

and self esteem (mean score of 3.8464 versus 3.6774; $t(839)= 3.654, p<0.05$) were all significantly stronger for those who reported parents of close relatives have business than those who have not. In other words there we say the exposure to entrepreneurship activities through family business influence the attitude of the student. The findings are consistent with those of similar studies such as references [16], [17].

VII. CONCLUSIONS AND FUTURE RESEARCH

The study on Entrepreneurial attitudes of MBA students have revealed that overall the student have a positive attitude towards entrepreneurship. Generally it is thought that MBA students are mainly focused on job but the study has revealed that the trend is changing and many students are showing interest toward entrepreneurship which is a good sign. The study has found significant difference in the entrepreneurial attitudes because of exposure to entrepreneurship course and entrepreneurial activity. This has implications for educational institutions. Educational institutions can do more to encourage the students to take entrepreneurship as a career. As entrepreneurship is the force behind the rapid economic development of any nation. For a country like India it is required. Even the Government of India as well as the state governments are taking various measures to promote entrepreneurship.

Future studies should focus on the effect of entrepreneurship education on the students' attitudes. Longitudinal studies can be taken to find the effect of entrepreneurship education. Comparative Studies among various types of colleges, students from different streams can be taken. The present study has covered only MBA students in the Rayalaseema Region of Andhra Pradesh. Future research can focus on the other professional students like Engineering, Medicine and others.

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