Chapter 7
Exploring Individual Entrepreneurial Orientation and Its Relation to Entrepreneurial Action: Considerations of Entrepreneurship Education and Training Affecting Post-Graduate Students

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ABSTRACT

In this chapter, individual entrepreneurial orientation will be investigated to find the influence it has on entrepreneurial action of post graduate students. Individual entrepreneurial orientation (IEO) can help post-graduate students, teachers, investors and organisations better understand an individual’s personal orientation towards taking risks, openness to new ideas and consciousness in the business environment. IEO is commonly understood as signifying the processes and decision-making activities that lead to entrepreneurship. In a systemic context, an individual constitutes a micro system and is closely linked to the various processes at differing levels of systematic development.
INTRODUCTION

This chapter reports on an investigation to determine what influence individual entrepreneurial orientation has on entrepreneurial action among a group of first-year postgraduate (Honours) students.

Individual entrepreneurial orientation (IEO) can help students, teachers, investors and organisations better understand an individual’s personal orientation towards taking risks, openness to new ideas and consciousness in the business environment (Vogelsang, 2015). IEO is commonly understood as signifying the processes and decision-making activities that lead to entrepreneurship (Bolton & Lane, 2012). In a systemic context, an individual constitutes a micro system and is closely linked to the various processes at differing levels of systematic development (Van der Westhuizen, 2016). IEO is adapted from entrepreneurial orientation (EO), which is a firm-level construct and consist of five traits: autonomy, innovativeness, proactiveness, competitive aggressiveness and risk-taking propensity (Kollmann, et al., 2007). Dess and Lumpkin (1997) define EO as a tendency to act autonomously, willingly innovate, be competitively aggressive and act proactively towards opportunities in the environment, and take calculated risks in the face of uncertainty.

Dhliwayo (2008) and van der Westhuizen (2016, 2017, 2018) both note that there are areas of concern in global educational systems and suggest that the curriculums relating to entrepreneurship need to be revisited and altered to enable an entire university to become an entrepreneurially oriented institution, with elements of entrepreneurship embedded in all curriculums.

According to Fatoki (2010), entrepreneurship been recognised as one of the vehicles of economic growth in developing countries. This is reiterated by Herrington et al. (2017) in their report on Global Entrepreneurship. Herrington et al. (2017) further state that the relationship between economic growth and entrepreneurial activity is positively correlated. Lecturers, researchers and students alike have the power to contribute in creating conditions and environments that are conducive to entrepreneurial activity. However, the institution, its teaching and learning practice should be appropriately oriented to develop the IEO of its students.

PROBLEMS DEVELOPING COUNTRIES FACE IN RELATION TO INDIVIDUAL ENTREPRENEURIAL ORIENTATION

Developing regions such as in Africa face horrendous unemployment rates which add strain to the already overburdened regional economy. In South Africa, for example, StatsSA 2017 estimated the youth unemployment rate at the beginning of the second quarter of 2017 to be 62.5%. Other developing countries have fought unemployment through an entrepreneurship culture fostered by entrepreneurial perceptions and attitudes. Entrepreneurial perceptions and attitudes play a major role in creating such a culture (Bosma & Levie, 2009). At a very basic level, IEO as an individual construct affects entrepreneurial culture of the university, community, region and country (van der Westhuizen, 2016). To develop entrepreneurial culture and thereby create more entrepreneurs who will open and operate SMMEs, IEO needs to be developed, and the problem of unemployment in developing countries like South Africa can be partially solved by youth entrepreneurship. There is a large pool of graduates who are either employed or actively looking for employment. Alternatively, these graduates can start and operate their businesses instead of entering the already highly concentrated job market and further burdening the already strained government budget.