Factors Influencing Students’ Intentions Towards Entrepreneurship: Comparative Study

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ABSTRACT

This article aims to examine students’ intentions toward entrepreneurship after their graduation and whether there are any significant differences between those students who intend to become entrepreneurs and those who do not intend to be so, in terms of their individual characteristics and contextual factors. The data was collected through a self-administrated questionnaire from a convenient sample of 250 business students in the two universities (Kuwait University and PSUT University) in Kuwait and Jordan. The findings indicated there were significant differences between the two groups of students who intend to become entrepreneurs and those who do not intend in terms of their individual characteristics factors (optimism, innovativeness, risk taking tolerance, and the need for achievement) and in terms of their contextual factors. The research has been finalized with some practical implications and recommendations.

KEYWORDS

Business Students, Contextual and Demographic Characteristics, Entrepreneurial Intentions, Students’ Individual

INTRODUCTION

In Jordan and Kuwait, entrepreneurship attracts great attention by increasing the recognition of the essential role of entrepreneurship in enhancing economic development in both countries. The two countries take strategic measures to promote private initiatives and to provide facilities for entrepreneurs, which demonstrate a political will at top levels. Jordan considers entrepreneurship a major strategy for creating more jobs, and for decreasing unemployment, which is a major challenge that is facing the Jordanian economy nowadays (Al Zu’bi, 2018). In the same context, some Arab countries such as Kuwait consider entrepreneurship as a major strategy to move the burden of employment from the public to the private sector (AlKasasbeh, 2008; Al-dalahmeh et al., 2018; Al-Dmour et al., 2018).

The literature review shows that extensive research investigates entrepreneurship from many perspectives and in different settings. There are several reasons for this interest: Firstly, well-educated entrepreneurs are expected to create ventures that grow faster than their counterparts. The importance of education to the successful performance of new ventures is well recognized by management professional and researchers. Secondly, due to the process of restructuring in organizations following intensified competition in the market worldwide, previous advantages with wage employment in large, established enterprises, such as job security or reward for loyalty have lost on their actuality,
thus increasing the desirability of self-employment. Unemployment among graduates has also been increasing. Over the years the decision to become an entrepreneur has been analyzed using different methodologies. Researchers began looking for the existence of certain personality traits that could be associated with entrepreneurial ability. Later studies have pointed out to the importance of different characteristics such as age, gender, origin, religion, level of studies, labor experience etc. (e.g., Perry et al., 2018). They are usually called as demographic variables. Both these approaches have permitted the identification of significant relationship among certain traits or demographic characteristics of the person. However, their predictive capacity has been very limited. From the theoretical perspective, these approaches have been criticized, both for their methodological and conceptual problems and for their low explanatory capacity.

Yet insufficient attention has been paid in entrepreneurship research to individual characteristics, entrepreneurship’s intentions, and contextual factors in Jordan or in Kuwait. This justifies the need for conducting this exploratory comparative research, which is the contribution to the literature. The current study investigates different relationships between business students’ entrepreneurial intentions, individual characteristics, and contextual factors. Additionally, it examines whether these factors are positive in influencing students’ intentions to become entrepreneurs or not and whether there are differences between the two countries or not in this regard. The assumption is that entrepreneurship is a function of individual characteristics and contextual conditions. The former includes optimism, innovativeness, risk-taking tolerance and the need for achievement. The latter comprises personal experiential activities, socio-economic conditions, entrepreneurship education, family experiences in entrepreneurship and cultural factors. Therefore, this study has come to fill these gaps by identifying the main factors that differentiate between the students who intend to become entrepreneurs after their graduation and those who do not intend to do so in two public academic insinuations in Kuwait and Jordan.

Specifically, this study aims:

1. To identify the level of the students’ intentions to become entrepreneurs after their graduation in the two academic insinuations in Kuwait and Jordan. i.e., PSUT and KU.
2. To investigate whether the students’ intention to become entrepreneurs after graduation differ/smiler in terms of their individual characteristics, contextual conditions and demographic characteristics in the two academic insinuations (PSUT and KU) and each university separately.

LITERATURE REVIEW

Entrepreneurship has become a powerful tool for creating jobs and improving economic power in the labor market and economy as a whole. Furthermore, with the advent of the technology revolution, a variety of competencies such as creativity, innovation, and agility are required for start-ups. Therefore, most academic institutions currently provide entrepreneurial courses programs with the belief that the importance of entrepreneurship and the knowledge and skills needed to become an entrepreneur can be taught, and the proportion of policy support toward entrepreneurship education has been increasing in many countries around the world (Kim et al., 2103). Entrepreneurial intentions stated by Thompson (2009) as “self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future”. Choo and Wong (2009) described entrepreneurial intentions as the exploration and assessment of information which is beneficial to achieve the objective of business creation. The focus of entrepreneurship is to have entrepreneurial intentions before starting the actual business because it determines the starting point of new business creation.

Baron and Markman (2003) suggest that entrepreneurs’ social skills play an important role in their success. A high level of social capital, built on a favorable reputation, relevant previous experience, and direct personal contacts, often assists entrepreneurs in gaining access to venture
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