






# “Entrepreneurial intention of Bangladeshi students: impact of individual and contextual factors”

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| <b>AUTHORS</b>      | Md. Uzzal Hossain  <a href="https://orcid.org/0000-0001-7596-3408">https://orcid.org/0000-0001-7596-3408</a><br>Ahmed Al Asheq  <a href="https://orcid.org/0000-0001-8281-9594">https://orcid.org/0000-0001-8281-9594</a><br> <a href="https://publons.com/researcher/3957995/ahmed-al-asheq/">https://publons.com/researcher/3957995/ahmed-al-asheq/</a><br>S. M. Arifuzzaman  <a href="https://orcid.org/0000-0003-2502-2639">https://orcid.org/0000-0003-2502-2639</a> |
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Asheq, S. M. Arifuzzaman, 2019

Md Uzzal Hossain, Assistant  
Professor, Department of  
Management Studies, Bangabandhu  
Sheikh Mujibur Rahman Science &  
Technology University, Gopalganj,  
Bangladesh.

Ahmed Al Asheq, Lecturer, World  
School of Business, World University  
of Bangladesh, Bangladesh.

S. M. Arifuzzaman, Head, School  
of Business, Canadian University of  
Bangladesh, Bangladesh.



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Md Uzzal Hossain (Bangladesh), Ahmed Al Asheq (Bangladesh),  
S. M. Arifuzzaman (Bangladesh)

# ENTREPRENEURIAL INTENTION OF BANGLADESHI STUDENTS: IMPACT OF INDIVIDUAL AND CONTEXTUAL FACTORS

## Abstract

This study has investigated the extent to which individual and contextual factors determine the entrepreneurial intention in Bangladesh. Also, this study examined the comparative impact of both individual and contextual factors on entrepreneurial intentions. Sample data (n = 270) have been collected through using a survey questionnaire from a renowned public university of Bangladesh. This study has applied both correlation analysis and hierarchical regression for testing the hypotheses. Total eight hypotheses are tested to examine the influence of seven independent variables on entrepreneurial intentions, in which six factors have been found as significant predictors of entrepreneurial intentions. The correlation analysis revealed that risk-taking, locus of control, self-efficacy, and job autonomy are significantly correlated with entrepreneurial intention at 5% significance level. The regression result indicated that individual factors such as risk-taking, locus of control, self-efficacy, and job autonomy and contextual factors such as social networks and university educational program have positive effect on entrepreneurial intention. The study also found out that individual factors have more influence on entrepreneurial intentions than contextual variables. This paper also offers some implications for academic scholars.

## Keywords

entrepreneurial intention, risk-taking tendency, locus of control, self-efficacy

## JEL Classification

M10, J26, M13

## INTRODUCTION

Bangladesh is experiencing an increasing GDP growth rate over the last few years; still, the escalating rate of unemployment has become a burning issue for the policymakers. Among the unemployed population, a significant proportion has been university graduates in Bangladesh. Hence, promotion of entrepreneurial activities could be a solution for Bangladesh to tackle this graduate unemployment issue, since entrepreneurship is a facilitator of employment generation (Barba-Sánchez & Atienza-Sahuquillo, 2018). Entrepreneurship has been considered as one the crucial elements that are likely to facilitate job creation and welfare maximization for the society (Korent, Vuković, & Brčić, 2015), and entrepreneurs are known as promoters of the overall development through fostering the successful ventures by initiating the innovative and new ideas (Turker & Selcuk, 2009). Moreover, entrepreneurship plays a crucial role in advancing a country's economic development (Ezeh, Nkamnebe, & Omodafe, 2019). Entrepreneurship has become a sought-after career choice for the students, and the future generation has been expressing a penchant for self-employment across the globe (Wang, Lu, & Millington, 2011). In recent times, substantial interest has been attributed to entrepreneurial intention. Entrepreneurial intention (EI) is regarded as the initial phase of entrepreneurship development, which demonstrates an indi-

vidual's eagerness to establish an entrepreneurial venture (Nowiński & Haddoud, 2019). Because, it is essential to understand the entrepreneurial intention that would likely to reinforce the entrepreneurship (Al-Jubari, Hassan, & Liñán, 2018). This context motivates the authors of this study to investigate the determinants of Bangladeshi students' entrepreneurial intention to provide the strategic implications for the academicians and country policymakers so that they could facilitate the entrepreneurial activities among the graduate students to fight against growing unemployment.

Therefore, considering the students' intention would be the quintessential sample to examine the entrepreneurial intention (EI). Because entrepreneurship is evidenced as one of the immediate career choices by the graduate students and thus it is relevant to examine what stimulates student's intention to be an entrepreneur (Nguyen, 2018). Prior entrepreneurship research studies have examined the influence of demographic, psychological, and contextual factors on entrepreneurial intention (taking students as their ideal sample), whereas the majority of the studies examined those factors rather separately. This current research study seeks to add value to the entrepreneurship literature in various ways. To date, there has been a significant research gap in studying the effect of individual and personality traits in the field of entrepreneurship studies in Bangladesh. This study has intensively focused on the impact of personality traits in determining the entrepreneurial intention (EI) of Bangladeshi students. Second, very few studies have focused on the influence of both individual trait factors and contextual factors simultaneously in analyzing the entrepreneurial intention. Research suggests that behavior is positively steered by both personal and situational factors rather than only by psychological factors (House, Shane, & Herold, 1996). This study attempts to contribute to this literature gap by examining both factors distinctively and separately. Still, a transparent understanding of the influential and predictive factors of students' intention to pursue entrepreneurial activities is missing in entrepreneurship literature of Bangladesh. Furthermore, well understanding and awareness of influential factors of student's entrepreneurial intention (EI) could facilitate and enhance in developing and producing the prospective entrepreneurs. The purpose of this research is to determine the factors, which may influence the students' entrepreneurial intention to pursue an entrepreneurial career in Bangladesh context.

## 1. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

### 1.1. Individual factors

Risk-taking propensity (RT) trait refers to the individual's inclination and proclivity to go for chance under decisional circumstances. Stewart et al. (1999) have found in their study that entrepreneurs demonstrated a higher degree of risk-taking tendency compared to non-entrepreneurs (managers). According to Stewart and Roth (2001), entrepreneurs are likely to work in the uncertain conditions. Research suggests that risk-taking propensity positively predicts the entrepreneurial attitude and intention (Wijaya & Sunarta, 2019). According to the discussion, it is hypothesized that:

*H1: Risk-taking propensity (RT) will positively affect entrepreneurial intention (EI) of students.*

Locus of control (LOC) trait specifically measures an individual's belief of what regulates and controls success and failure in their life. This concept was first developed by Rotter (1966) and according to him, internal locus of control drives an individual to believe that outcome of an event is the result of their behavioral actions and characteristics, whereas individuals with external locus of control perceive the results come from the fate or luck. Sesen (2013) found that internal locus of control is likely to influence student's EI. Hence, it is hypothesized that:

*H2: Locus of control (LOC) will positively affect entrepreneurial intention (EI) of students.*

The concept of self-efficacy, conceptualized by Bandura (1977) in his social learning theory, explains a person's belief of his/her ability and capability to perform any given task. This attribute is often related to entrepreneurial intention and labeled as "entrepreneurial self-efficacy" (ESE). It measures a person's faith and assertive-

ness whether he can accomplish a particular task. Entrepreneurial self-efficacy (ESE) has been a key element in the process of making entrepreneurial decision (Chen, Greene, & Crick, 1998). Several studies demonstrated that higher level of self-efficacy is likely to foster increased degree of entrepreneurial intention (Kristiansen & Indarti, 2004; Zhao, Seibet, & Hills, 2005). Pihie and Bagheri (2013) found that self-efficacy plays an intrinsically critical role in shaping EI of students. Therefore, it is hypothesized that:

*H3: Self-efficacy (SE) will positively influence entrepreneurial intention (EI) of students.*

The 'need for autonomy' personality trait specifically indicates the utilization of an individual's self-judgment power, withholding his/her responsibility at the same time (Shane, Locke, & Collins, 2012). Research studies suggest that high need for autonomy or independence and entrepreneurial intention are positively correlated (Walter & Heinrichs, 2015). According to several studies on entrepreneurial motivations, occupational independence and control have been the significant motivation of a person to start own venture in a form of self-employment (Wang & Wong, 2004). Based on the above literature review, it is hypothesized that:

*H4: Job autonomy (JA) will positively affect entrepreneurial intention (EI) of students.*

## 1.2. Contextual factors

Access to capital (AC) has been considered as one of the paramount elements in starting a new venture (Kristiansen & Indarti, 2004). To establish a business venture, required capital can be accumulated from the savings, family members, relatives, friends, and from a bank loan (Cetindamar, Gupta, Karadeniz, & Egrican, 2012). In a study of Turkish university students' entrepreneurial intention, Ozen Kutanis, Bayraktaroglu, and Bozkurt (2006) have demonstrated that personal savings have been the first and prime consideration for students to start a new business venture. Furthermore, Cetindamar et al. (2012) showed that financial capital has been one of the significant factors in continuing with following entrepreneurial activities. Therefore, it is hypothesized that:

*H5: Access to capital (AC) will positively affect entrepreneurial intention (EI) of students.*

Throughout the entrepreneurial process, entrepreneurs might experience lack of market informational resources, which could be crucial for business. Access to this valuable business-related information remains fundamental for any nascent entrepreneurs for survival. In this context, social network significantly facilitates the acquiring sources of business information. According to Kristiansen and Indarti (2004), social network has been a significant predictive of entrepreneurial intention. If an entrepreneur can acquire market information through his/her social networks, then the probability of starting own business tends to increase (Sequeira, Mueller, & McGee, 2007). Therefore, it is hypothesized that:

*H6: Social network (SN) will positively influence entrepreneurial intention (EI) of students.*

Entrepreneurship-based education could be significant in motivating someone to become an entrepreneur (Zhang, Duysters, & Cloudt, 2014). Schwarz et al. (2009) exhibited that entrepreneurial intentions have been significantly impacted by educational environment. Whenever a person becomes more educated and well-informed about entrepreneurial career from the professional point of view through training session and educational courses, then their entrepreneurship-related gained knowledge could saliently motivate their intentions for being entrepreneurs (Linan, Urbano, & Guerrero, 2011). Hence, it is hypothesized that:

*H7: University educational program (UEP) will positively influence entrepreneurial intention (EI) of students.*

## 1.3. The comparative influence between personality and contextual factors

Some researchers claimed personality trait variables as the predictive determinants in deciding to become an entrepreneur (Zhao, Seibet, & Hills, 2005). In contrast, several authors have advocated for environmental factors as the prime results of starting the entrepreneurial activities (Schwarz, Wdowiak, Almer-Jarz, & Breitenacker, 2009). Still

there has been a research gap exist to find out which factors exert more influence on student's entrepreneurial intentions. Nonetheless, since current research streams indicate to the psychological variables as the more predictive antecedents of entrepreneurial intentions (Stewart & Roth, 2001; Zhao et al., 2005). Hence, it is postulated that:

*H8: Personal (individual) factors are predicted to have more influence on entrepreneurial intention (EI) of students than that of contextual factors.*

## 2. METHODOLOGY

Since the purpose of this study is to examine the entrepreneurial intention, hence, students have been considered as the potential participants of this study as students are well perceived to be prospective entrepreneurs. Krueger et al. (2000) advocated that taking students as a sample would be appropriate for exploring the entrepreneurial intentions as they are challenged with an imminent career option. The sample of this present study has been taken from two of the reputed public universities in Bangladesh, which are exclusively renowned for business studies. The sample size has been confined to only MBA students. Survey questionnaire has been distributed among students with the help of the coordinator of the respective class groups and, subsequently, all the response survey forms were collected. Several phone calls and follow-up messages have been sent to the respective coordinators and student's group leader to accelerate the data collection. In order to avoid the likelihood of unusable data, total 300 survey questionnaires have been distributed and a total of 287 responses were received, in which 270 questionnaires are considered as usable for this study, showing 90% feedback rate. A pilot study was carried out for ensuring the reliability purpose of the questionnaire and based on the result, few items have been dropped out from the questionnaire inventory.

The survey questionnaire consists of two parts: the first part represents demographic information of the respondents, asking their age, gender, whether their parents were entrepreneurs and whether their other family members are involved with entrepreneurial business (brother/sister/grandpar-

ents/uncle/aunt). The second part of the questionnaire encompassed the measuring items of both dependent and eight independent variables, including 'Likert scale' of ranging from 1 to 5, where '1' is denoted as strongly disagree and '5' is denoted as strongly agree.

### 2.1. Dependent variables

This study has measured entrepreneurial intention (EI) by six items (e.g. I have very seriously thought about starting a firm; I am determined to create a firm in the future), which was adopted from Dinis, Paco, Ferreira, Raposo, and Rodrigues (2013). This scale has been a validated one-dimensional construct to examine the entrepreneurial intentions, in which a high score in the scale indicated higher degree of intention to start an entrepreneurial venture. Reliability score ( $\alpha$ ) of this scale exhibited an acceptable score of 0.812.

### 2.2. Independent variables

Locus of control (LOC) has been examined by six items (e.g., it is I, not luck nor fate, which influence the outcome of events in my life; I cannot wait and watch things happen; I prefer to make things happen). This scale was also taken from Dinis et al. (2013), which was a validated instrument. Cronbach's ( $\alpha$ ) coefficient was found to be satisfactory ( $\alpha = 0.661$ ) for this scale.

Risk-taking (RT) has been measured by six items (e.g., I am willing to take high risks for high returns; I do not mind working under conditions of uncertainty as long as there is a reasonable probability of gains from it for me), which was taken from Dinis et al. (2013). This scale measured the respondent's propensity to take risks. Cronbach's ( $\alpha$ ) coefficient was reliable for this scale ( $\alpha = 0.702$ ).

Job autonomy (JA) scale is measured by five items (e.g., I am quite independent of the opinions of others; I like a job in which I do not have to answer to anyone), with a reliable ( $\alpha$ ) value of 0.758. This scale was taken from Širec and Močnik (2010) and asked the respondents to what extent they like to be independent in decision making.

Self-efficacy (SE) has been measured by ten items (e.g., I can always manage to solve difficult prob-

lems if I try hard enough) and this scale was reliable ( $\alpha = 0.729$ ). This scale was taken from Farrukh, Khan, Shahid Khan, Ravan Ramzani, and Soladoye (2017), which was a validated scale and examined the respondent's self-confidence to perform an assigned task.

Access to capital (AC) is measured by three items (e.g., I have access to capital to start to be an entrepreneur; my immediate family would support me, with a financial institution (bank), to create a company) and this variable was found to be satisfactory ( $\alpha = 0.619$ ). This scale was partly adopted from Aragon-Sanchez, Baixauli-Soler, and Carrasco-Hernandez (2017) and Kristiansen and Indarti (2004), asking the students about their source of funding for their future entrepreneurial start-up.

Social networking (SN) scale is measured by five items (e.g., having a social network is important to start a company; when I need help, I usually rely on my existing social network) and adopted from Taormina and Lao (2007). Reliability scale showed reliable score ( $\alpha = 0.628$ ).

University's educational program (UEP), taken from Arrighetti, Caricati, Landini, and Monacelli (2016), is examined by four items (e.g., the university provided me with the knowledge necessary to start a new business; the university developed my entrepreneurial competence and skills). Cronbach's ( $\alpha$ ) coefficient was found to be satisfactory ( $\alpha = 0.696$ ).

This current study has used SPSS-23.0 version in order to analyze the data. Hierarchical multiple regression has been applied in this study to find out the predictive impact of independent variables on the dependent variable, the entrepreneurial intentions (EI).

### 3. RESULTS

#### 3.1. Profile of respondents

The sample size of this research study consists of 270 MBA enrolled students. The sample population of this present study is built on students of a Bangladeshi reputed public university, all of them are currently studying business studies (MBA).

The business school of the university is offering entrepreneurship courses to the currently enrolled MBA students, comprising of 62.2% male students ( $n = 168$ ) and 37.8% female students ( $n = 102$ ).

**Table 1.** Demographic variables

| Age                                 | Frequency | Percent |
|-------------------------------------|-----------|---------|
| From 21 to 25                       | 165       | 61.1    |
| From 26 to 30                       | 96        | 35.6    |
| Older than 30                       | 9         | 3.3     |
| Gender                              | 168       | 62.2    |
| Male                                | 102       | 37.8    |
| <b>Female</b>                       |           |         |
| <b>Parents-entrepreneurs</b>        |           |         |
| Yes                                 | 151       | 55.9    |
| No                                  | 119       | 44.1    |
| <b>Family-entrepreneurs members</b> |           |         |
| Yes                                 | 170       | 63.0    |
| No                                  | 100       | 37.0    |

In respect of family background, about 55.9% of respondents ( $n = 151$ ) demonstrated that their parents were entrepreneurs while 44.1% students stated that their parents were not entrepreneurs. Another question asked students whether their other family members have any entrepreneurial business ventures. More than half of the students ( $n = 170$ , 63%) stated they belong to an entrepreneurial family, where their brothers/sisters/uncles/grand-fathers-mothers have business ventures.

#### 3.2. Correlation analysis between EI and predictive variables

Result of correlation analysis showed that among eight independent variables, four independent variables are statistically and significantly correlated with entrepreneurial intention (EI), as shown in Table 2.

Risk-taking (RT) has been robustly correlated with entrepreneurial intention ( $r = .403$ ), that is followed by the correlation between EI and job autonomy ( $r = .360$ ). Locus of control ( $r = .259$ ) and self-efficacy ( $r = .171$ ) are also statistically correlated with EI. Two more variables, social network and university educational program, have a moderate and significant correlation with EI ( $r = .133$ ) at 5% significance level. Access to capital has not been found as significantly correlated with entrepreneurial intention (EI).

**Table 2.** Correlation between entrepreneurial intention and predictive variables

| No. | Variables                      | 1      | 2      | 3      | 4      | 5      | 6     | 7    | 8     | 9 |
|-----|--------------------------------|--------|--------|--------|--------|--------|-------|------|-------|---|
| 1   | Entrepreneurial intention      | –      | –      | –      | –      | –      | –     | –    | –     | – |
| 2   | Risk-taking                    | .403** | –      | –      | –      | –      | –     | –    | –     | – |
| 3   | Locus of control               | .259** | .250** | –      | –      | –      | –     | –    | –     | – |
| 5   | Self-efficacy                  | .171** | .009   | .011   | .164** | –      | –     | –    | –     | – |
| 6   | Job autonomy                   | .360** | .487** | .237** | –.016  | .083   | –     | –    | –     | – |
| 7   | Access to capital              | .036   | –.010  | –.091  | .138*  | .507** | .015  | –    | –     | – |
| 8   | Social network                 | .133*  | –.017  | –.027  | .090   | –.104  | –.002 | .001 | –     | – |
| 9   | University educational program | .133*  | –.086  | .131*  | –.061  | .270** | –.027 | .114 | –.031 | – |

Notes:  $n = 270$ , \* $p < 0.05$ ; \*\* $p < 0.01$ .

### 3.3. The impact of predictive variables on EI

In this study, hierarchical multiple regression has been used to analyze the impact of eight predictive variables on entrepreneurial intention (EI). In model 1, all demographic variables (age, gender, whether

students have entrepreneurial parents and family members) were entered as control variables. In model 2, individual factors (risk-taking propensity, locus of control, self-efficacy, and job autonomy) have been added. Model 3 included three contextual factors: access to capital, social networks and university educational program (Table 3).

**Table 3.** Hierarchical multiple regression analysis

| Model                                | Variable                       | Adjusted $R^2$ | $R^2$ change | F change  | Unstandardized coefficients | Standardized coefficients | t        |
|--------------------------------------|--------------------------------|----------------|--------------|-----------|-----------------------------|---------------------------|----------|
| 1                                    | Step 1                         | .052           | .066         | 4.694**   | –                           | –                         | –        |
|                                      | Age                            | –              | –            | –         | .040                        | .042                      | .579     |
|                                      | Gender                         | –              | –            | –         | –.115                       | –.104                     | –1.730*  |
|                                      | Parents-entrepreneurs          | –              | –            | –         | .180                        | .167                      | 2.792**  |
|                                      | Family members-entrepreneurs   | –              | –            | –         | .131                        | .118                      | 1.642*   |
| 2                                    | Step 2                         | .247           | .206         | 14.753*** | –                           | –                         | –        |
|                                      | Age                            | –              | –            | –         | .054                        | .056                      | .876     |
|                                      | Gender                         | –              | –            | –         | –.086                       | –.078                     | –1.449   |
|                                      | Entrepreneurial parents        | –              | –            | –         | .127                        | .118                      | 2.165**  |
|                                      | Entrepreneurial family members | –              | –            | –         | .067                        | .060                      | .931     |
|                                      | Risk-taking (RT)               | –              | –            | –         | .331                        | .269                      | 4.365*** |
|                                      | Locus of control (LOC)         | –              | –            | –         | .164                        | .122                      | 2.165**  |
|                                      | Self-efficacy (SE)             | –              | –            | –         | .147                        | .119                      | 2.173**  |
| Job autonomy (JA)                    | –                              | –              | –            | .180      | .177                        | 2.864**                   |          |
| 3                                    | Step 3                         | .271           | .031         | 3.858***  | –                           | –                         | –        |
|                                      | Age                            | –              | –            | –         | .048                        | .050                      | .789     |
|                                      | Gender                         | –              | –            | –         | –.085                       | –.077                     | –1.441   |
|                                      | Entrepreneurial parents        | –              | –            | –         | .105                        | .098                      | 1.783*   |
|                                      | Entrepreneurial family members | –              | –            | –         | .064                        | .057                      | .893     |
|                                      | Risk-taking (RT)               | –              | –            | –         | .353                        | .286                      | 4.698*** |
|                                      | Locus of control (LOC)         | –              | –            | –         | .142                        | .106                      | 1.865*   |
|                                      | Self-efficacy (SE)             | –              | –            | –         | .167                        | .135                      | 2.098**  |
|                                      | Job autonomy (JA)              | –              | –            | –         | .179                        | .176                      | 2.888**  |
|                                      | Access to capital (AC)         | –              | –            | –         | –.048                       | –.054                     | –.879    |
|                                      | Networks (SN)                  | –              | –            | –         | .131                        | .141                      | 2.620**  |
| University educational program (UEP) | –                              | –              | –            | .111      | .110                        | 1.966*                    |          |

Note: \* $p < 0.10$ ; \*\* $p < 0.05$ , \*\*\* $p < 0.001$ .

The hierarchical regression model is a good test for fit as Durbin-Watson statistic showed an acceptable value of 2.273, which falls under the acceptable range of 1.5 to 2.5. For all variables, tolerance values have fallen in between 0.1 to 1.0, while VIF value is less than 5, indicating the model has no multi-collinearity problem.

Hierarchical regression shows that in model 1, interestingly, gender has a negative correlation with EI ( $\beta = -.104, p < 0.10$ ). On the other hand, students having entrepreneurial parents expressed higher entrepreneurial intention ( $\beta = .167, p < 0.05$ ) than those of students without being children of entrepreneurial parents. Also, students who were the members of an entrepreneurial family (where brothers/sisters/uncles/grand-fathers-mothers have businesses), indicated a higher degree of EI ( $\beta = .118, p < 0.10$ ). Furthermore, model 1 has been found as statistically significant at  $[F(4, 265) = 4.694; p < 0.05]$  and 6.6 percent of variance is explained by this model. Age is found as a non-contributory variable in this model.

Model 2 demonstrated that four independent variables: risk-taking ( $\beta = .269, p < 0.001$ ), locus of control ( $\beta = .122, p < 0.05$ ), self-efficacy ( $\beta = .119, p < 0.05$ ), and job autonomy ( $\beta = .177, p < 0.05$ ) have predictive impact on entrepreneurial intention (EI). This model has also been found as statistically significant at  $[F(5, 260) = 14.753; p < 0.001]$ . Inclusion of individual factors resulted an extra variance of 20.6% in explaining entrepreneurial intention (EI).

Model 3 has been found statistically significant at  $[F(3, 257) = 3.858; p < 0.001]$  and explicated an overall variance of only 3.1 percent in determining entrepreneurial intention (EI). Three contextual factors were included in this model, in which social network ( $\beta = .141, p < 0.05$ ) and university educational program ( $\beta = .110, p < 0.05$ ) have been found significant and predictive factors of entrepreneurial intention (EI), whereas coefficient of access to capital (AC) ( $\beta = -.054, p > 0.10$ ) has not contributed to this model and is found as a non-significant variable.

## 4. DISCUSSION

This current study has examined the effect of eight independent factors on student's entrepreneurial intentions and based on extensive literature re-

view, nine hypotheses were developed and tested by applying hierarchical regression, in which age, gender, entrepreneurial parents, and family members were considered as control variables.

*H1* stated that risk-taking propensity would have a positive impact on entrepreneurial intention (EI). Hierarchical regression result supported this hypothesis ( $\beta = .286, p < 0.001$ ). Students with higher risk-taking tendency demonstrated an increased degree of EI. This finding has been relevant to prior research studies. Entrepreneurs are more likely to be risk-tolerant as they have to function in the unorganized setting (Stewart & Roth, 2001).

*H2* predicted that locus of control (LOC) would positively affect the entrepreneurial intention (EI) of students. Hierarchical regression results provided statistical proof to support this hypothesis ( $\beta = .106, p < 0.10$ ). High locus of control would thus allow students to have stronger EI as individual with locus of control believes that he/she can control the events. This result has been supportive of prior research works. locus of control (LOC) facilitates high entrepreneurial intentions and attitudes (Robinson, Stimpson, Huefner, & Hunt, 1991).

*H3* predicted that self-efficacy (SE) and entrepreneurial intention (EI) of students would have a positive relationship. Regression result reveals self-efficacy (SE) has been a positive predictor of EI of students and the hypothesis is accepted at ( $\beta = .135, p < 0.05$ ). Students with high self-efficacy would be able to direct their attitude and career to entrepreneurial activities. The result is consistent with prior studies. Stronger self-efficacy positively relates to increased entrepreneurial intentions (Kristiansen & Indarti, 2004).

Job autonomy (JA) has been predicted to have a positive influence on the EI of students (*H4*) and this hypothesis is supported at ( $\beta = .176, p < 0.05$ ). Students would possess high entrepreneurial intention as they seek to be self-reliant and independent. And the result is congruent with several studies (Walter & Heinrichs, 2015).

*H5* stated that access to capital (AC) would be a significant predictor of entrepreneurial intentions (EI). This hypothesis is rejected ( $\beta = -.054,$



$p > 0.10$ ). Surprisingly, access to capital variable has a negative beta value in this present study. One of the possible explanations of this insignificance could be that student's primary capital source would be their own savings to start a business. Ozen Kutanis et al. (2006) have demonstrated in their study that personal savings remain the initial choice for Turkish student's capital accumulation source. Because of this, possibly capital accumulation does not seem to be a constraint for Bangladeshi students as they heavily depend on their savings that is supported by family sources.

Social network (SN) is hypothesized to be a significant predictive variable of entrepreneurial intentions ( $H6$ ). The social network is found to have a positive ( $\beta = .141, p < 0.05$ ) and significant effect of entrepreneurial intentions (EI) of students; hence, this hypothesis is supported. Social networking plays a foremost role for students to gather business information to launch their business ventures. The result is validated by several studies. Social networking could be significant at the primary stage of a new start-up business (Jones & Jayawarna, 2010).

$H7$  proposed that university educational program (UEP) would positively impact student's entrepreneurial intentions (EI). In this study, university educational program (UEP) appeared as a significant

predictive of EI at ( $\beta = .110, p < 0.10$ ). Thus, this hypothesis is also accepted. Entrepreneurship-driven university education has been intensively significant for students to show a higher level of entrepreneurial intentions (EI). This result is also pertinent to several entrepreneurship studies. Entrepreneurship embedded courses have been a paramount element in enhancing an individual's EI (Packham, Jones, Miller, Pickernell, & Brychan, 2010).

$H8$  stated that individual or personal variables would exert more impact on entrepreneurial intentions (EI) than contextual factors. Hierarchical regression result (Table 3) reveals that control variables illustrated 6.6 percent variance in student's entrepreneurial intentions (EI), while the inclusion of individual factors explained additional 20.6 percent variance in explaining EI. Contextual factors only contributed 3.1 percent variance in EI. Hence, regression analysis exhibits individual factors [ $F(5, 260) = 14,753; p < 0.001$ ] produce more predictive impact on student's entrepreneurial intentions (EI) compared to contextual factors [ $F(3, 257) = 3,858; p < 0.001$ ] in this present study (additional variation of 20.6 percent vs 3.1 percent). Accordingly, this hypothesis is supported and accepted. Therefore, this result indicates that individual factors yield a greater influence on students to pursue the entrepreneurial careers than contextual factors.

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## CONCLUSION

This current study imperatively emphasizes on the effective understanding of driving factors of student's entrepreneurial intentions (EI) as prospective entrepreneurs. Comprehensively, this study has some strategic implications for the educationalists, academic researchers, and for policy-makers at the academic and national level. First, it has been evidenced that entrepreneurship-embedded courses and programs have been significantly supportive for students to pursue the entrepreneurial careers, followed by amplifying the entrepreneurial intentions. From the policymaking perspective, more entrepreneurship-related courses need to be incorporated with university's current educational curriculum. Second, although this study validates more influence of individual factors on student's entrepreneurial intentions (EI), two contextual factors, social networks and university educational program, have been significant predictor of EI, hence a holistic initiative is intensively needed to treat all the influential factors of entrepreneurship, neglecting the isolation among the determinant variables. This study has found several personality variables as a significant predictor of EI of students. In supporting this, academic institutions and universities might consider trait factors while formulating their educational courses and programs for the students to create the substantial passion for entrepreneurial careers. This might be attainable through conducting the entrepreneurship seminars, facilitating counsel embedded programs for local students as mentoring guru, and providing the entrepreneurship-focused foundation training to strengthen the

recognition of entrepreneurs' crucial role in contributing to country's economic development; especially focusing on the needs of the personality characteristics such as self-efficacy, need for independence. For example, self-efficacy has been an influential driver of student's intention to start a business venture. Bangladesh government can promote more entrepreneurial venture by increasing student's self-confidence through adopting various programs. Furthermore, academic institutions might develop educational curriculum in the way to make students learn how to deal with risks or how to manage unstructured settings.

Although some significant findings have been evidenced by this present study, still, some of the critical limitations need to be considered. This study has examined a limited number of individual trait variables and environmental variables, there are some other factors in determining the entrepreneurial intentions, which remained untested (e.g., tolerance to ambiguity, fear of failure, self-confidence, opportunity recognition, socio-cultural factors). Future research study might incorporate those variables to examine EI in their study.

The sample size of this study can be regarded as one of the limitations, as this study has adopted sample only from two public universities in Bangladesh. Hence, the findings of this study may not be appropriate for generalizability. Future study may include both private and public academic institutions to produce a more generalizable result. On the other hand, this study has not taken into consideration the gender difference among the students. It might be interesting for future study to examine the mediating effect of the role of gender in examining the entrepreneurial intention (EI). In addition, by nature this study has not been longitudinal. If the study would be longitudinal, perhaps, the result would have differed from the present findings, as student's intention may vary in the long run (Krueger, 2007). Hence, future longitudinal study is intensively required to examine how entrepreneurial intention (EI) is converted into action over time.

This study contributes to the entrepreneurship study in several ways. It has been one of the very few studies that have emphasized a research gap by examining both individual and environmental factors in the same research study. To the best of the authors' knowledge, this would be the first study that has tested personality trait factors as a significant predictor in determining entrepreneurial intention (EI) of Bangladeshi students. This study has also provided an important suggestion not to consider contextual variables in isolation, although individual factors have more influence on entrepreneurial intention (EI).

This has been only targeted at Bangladeshi students to gauge and determine their preparedness and intentions to start-up a new business venture. A total of 270 Bangladeshi students is collected by conducting an online-based survey questionnaire regarding the factors that could possibly affect their entrepreneurial intention (EI). Hierarchical regression analysis suggested that four personal variables have statistically predictive influence on student's entrepreneurial intention (EI) – risk-taking, locus of control, self-efficacy, and job autonomy. On the other hand, two contextual factors, social network and university educational program, have been found as significant predictive factors of EI. This study has also found no significant impact of access to capital in measuring EI. Moreover, at the personal level, regression result indicated that students having entrepreneurial parents would likely to express more intentions to set-up a new business. Finally, university educational program has been evidenced for Bangladeshi students as one of significant factors to start new venture, hence all the national universities should emphasize on the inclusion of entrepreneurship courses that can be offered to students for facilitating their entrepreneurial careers.

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