



ENTREPRENEURIAL ANTECEDENTS OF SECONDARY SCHOOL STUDENTS IN WESTERN PROVINCE, SRI LANKA

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Abstract

Business entrepreneurship is an essential ingredient of economic prosperity and the need to understand the antecedents contributing to entrepreneurial ambition in Sri Lankan teenagers is paramount for successful policy planning in future. The attitudes and behaviors of youth will be conditioned during the developmental years and as a consequence perception towards entrepreneurship will be conditioned heavily during this phase of development. Despite the continued interest in promoting entrepreneurship among the young generation, researchers have paid little attention to primary and secondary educational stages. The main objective of this research is to analyze the factors affecting entrepreneurial ambition of teenage students as a career choice. The research is formulated as a quantitative research adhering to the deductive approach. Research finds the existence of two factors; Perception of benefits of entrepreneurship and family and friends encouragement contribute to the entrepreneurial ambition of Sri Lankan teenage students. Further it reveals the moderation effect caused by prior entrepreneurial education on the interaction between perception of benefits of entrepreneurship and entrepreneurial ambition. The study reveals existence of differences with respect to entrepreneurial ambition and antecedents in different communities. The study recommends introducing entrepreneurial education with more emphasis to teenage students. The understanding of the preferences of the young generation

will support policy efforts to create useful avenues for entrepreneurial success in the future.

Key Words: Entrepreneurial ambition, Entrepreneurship education, Teenage students

1. Introduction

The role of entrepreneurship in economic development is undisputed. According to the 2017 Global Entrepreneurship Index, Sri Lanka ranked 94th among 137 countries and 18th among 24 countries in the Asia Pacific region. The lack of entrepreneurship can be attributable to many socioeconomic factors having an effect on rational economic behaviour including risk taking orientation, innovation and sensitivity to market dynamics, weakened insights of perception of benefits of entrepreneurship etc.

Further, the Global Entrepreneurship Monitor 2017 report indicates that the total early stage entrepreneurship activity is 15.4%, contributed by the individuals in the age group between nineteen years and twenty-four years while another 21.1% is contributed by the individuals in the age band twenty-five to thirty-four years in factor driven economies like Sri Lanka. This sets out a platform for the important discussion whether the future entrepreneurial activity will further concentrate within the younger generation as a result of rapid technological changes, opportunities for novel business models at lower capital cost and rapid pace of economic activity. Thus, it can be reasonably argued that the future entrepreneurs are more likely to emerge from youth and adolescence. Furthermore, the fact remains that the attitudes and the behaviours of these youth will be conditioned during the developmental years and as a consequence it can be assumed that the shaping up of the attitudes and the behavioural notions and perceptions towards entrepreneurship will be conditioned heavily during this phase of development. Henderson and Robertson (2000) stated “the future working environment will depend on the creativity and individuality of the young”.

Thompson (2004) emphasizes the importance of entrepreneurs in the modern context when he states that in “today’s world of change and

uncertainty we need the talents of entrepreneurs more than ever. We need them to start new businesses; we need them to champion the change agenda in established corporations and the public sector.” Dinis et al. (2013) mentioned that, “it is generally held that the ideal stage to acquire basic knowledge about entrepreneurship and to foster a positive attitude towards entrepreneurship is during childhood and years of adolescence”. Rosique-Blasco et al. (2016) stated that despite the continued interest in entrepreneurship education, researchers have paid little attention to primary and secondary educational stages and focused mainly upon university students.

Based on the findings of Dinis et al. (2013) and Frank et al. (2005) on the importance of the teenage phase for laying foundations to instil entrepreneurial ambitions and orientations, it is postulated that a more concerted effort on developing the entrepreneurial ambitions of the teenagers would have a positive outcome on developing an entrepreneurial culture in Sri Lanka. Further it is believed that such an effort would not become a reality unless entrepreneurial ambitions of the teenager is understood through a focused research. The research expected to identify the factors that influence the ambition to pursue entrepreneurship as a future career choice among the Sri Lankan teenage population in the Western Province.

Very little work has been done on the study of the entrepreneurial ambition of the teenage population compared to that of the adults and university students. In the Sri Lankan context, hardly any literature on inclinations or ambition on entrepreneurship in teenage could be found. It needs to be understood that most of the parents of this part of the world still consider entrepreneurship as something very distinctly distanced from their imagination of what they want their teenage children to pursue.

Further, the identification of the factors that influence entrepreneurial ambition could be effectively used to design the education programs in the future for the secondary school curriculum. The theoretical value addition to the body of universal knowledge entails from the fact that the research will reframe the study of teenage student entrepreneurial ambition based on the contemporary behavioral models by emphasizing the motivational elements. Furthermore, the research

entails to provide evidence that the entrepreneurial education acts as a moderator for the interaction between perception of entrepreneurial benefits and entrepreneurial ambition and inspiration of role models and entrepreneurial ambition in students to highlight the concrete role of entrepreneurship education at early stages. The objective of this research is to recognize the factors that influence entrepreneurial ambition at secondary school level.

2. Literature review

Entrepreneurial intent refers to the intention of an individual to start a new business. Entrepreneurial intentions culminate at the point or just before the start-up of a business. In other words, they are very specific and focused towards a definite action. Ajzen (1991) provides a generic definition of intention as “a person’s readiness to perform a given behaviour”. An entrepreneurial intention is concerned with the inclination of a person to start an entrepreneurial activity in the future (Davidson, 1995). Bird (1992) further suggests that entrepreneurial intention directs critical strategic thinking and decisions and operates as a perceptual screen for viewing relationships, resources, and exchanges.

Attitudes and behaviours of the youth will be conditioned during their teenage years and, as a consequence, the attitudes and perceptions towards entrepreneurship will be conditioned heavily during this phase of development. Taylor (2008) disclosed some relevant findings on the entrepreneurial ambitions of school students. His findings, although done in a different country context, support the fact that school students have some formed opinions and expectations of their future career. He stated that “What the study discovers is that there is an extraordinary high level of interest in entrepreneurship amongst school students. Over 65% of school students stated that they would prefer to work for themselves. The primary motive in all groups was economic autonomy through ownership”.

There is a volume of research on identifying the traits of individuals that seemingly associate with entrepreneurs and developing correlations of the attributes that favour startups. For example,

Ferreira et al. (2012) state that the main psychological characteristics associated with entrepreneurship are: internal locus of control, propensity to take risk, self-confidence, need for achievement, tolerance of ambiguity, and innovativeness.

Nabi et al. (2013) stated that “it has generally been concurred that personality traits and demographics have not been very successful in explaining entrepreneurial intention or behavior”. It has been advocated that cognitive models, in particular, the theory of planned behavior (TPB) approach, provides greater predictive capacity in explaining entrepreneurial intention and behavior (Henry et al., 2003; Moriano et al., 2008).

The behavior interaction oriented theories that emerged later have been more effective in explaining the intents and behavior. Ajzen (1991) identified three independent determinants of intention, which he named as attitude toward the behavior, subjective norm, and perceived behavioral control. Ferreira et al. (2012) cite that Ajzen's model has been proposed several times as the best predictor of entrepreneurial behavior (Shapero, 1982; Honig, 2004). Nabi et al. (2013) stated that “a large body of entrepreneurship research provides empirical support for the TPB in the context of entrepreneurial intentions (Autio et al., 2001; Krueger et al., 2000). Engle et al. (2010) point out the fact that the Ajzen's Model has been proven and time tested to describe the entrepreneurial intentions in general.

The Ajzen's theory of planned behavior has been widely applied since then and has been understood in relation to other process models like those of Shapero (1982), which indicated that the entrepreneurial intention stems from the perception of feasibility and desirability of a person and this path is affected by the cultural and social context.

Molaei (2014) discusses the importance of recognition of entrepreneurial opportunity in leading to the motivation for entrepreneurial intentions. Although this concept is evident in the models such as the one by Shapero on entrepreneurial event, the same has been dismissed in the context of formation of ambitions in teenage students.

This desirability construct has been further analyzed for motivational elements by Van Gelderen (2008) who has proposed a model for entrepreneurial intentions based on the Ajzens framework. This has been illustrated in Figure 1 and the identification of individual elements like wealth and autonomy, the desire for which drives the individuals, has been tested in the present research.

For the present research, this paper has augmented the Ajzen model, Shapero model and Van Gelderens model and proposes more specific variables than those proposed in the models. The present work, for example, proposes to identify through the study of literature, constituent variables such as the perceived benefits of entrepreneurship, inspiration by role models etc. instead of using the variable desirability (i.e. attitude towards the behavior in Ajzens

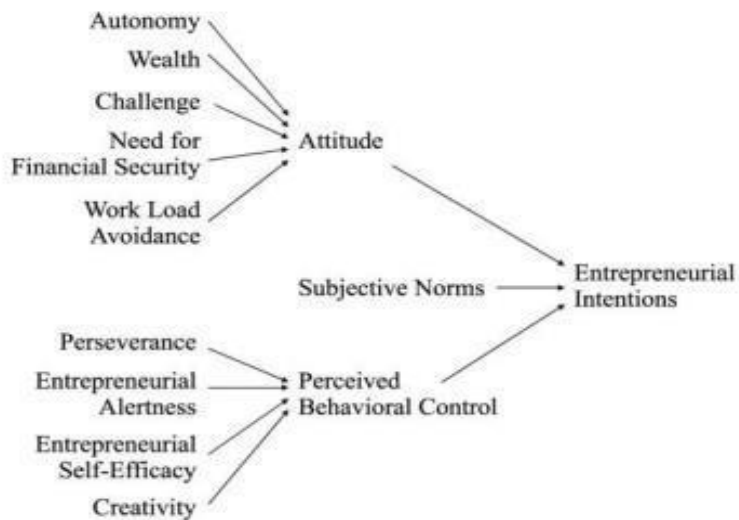


Figure 1: Illustration of elements of Van Gelderens model for entrepreneurial intentions (Van Gelderen et al 2008)

The present research also takes into account the “motivational forces” behind entrepreneurial ambition to be more specific. Further, ambition was used in place of ‘intentions’, observing the fact that Sri Lankan teens do not have economic discretion to do a business on their own and thus could not have embarked on specific course of action or formed specific intentions on a particular entrepreneurial path, but

could only form ambitions at most on their future career on becoming entrepreneurs.

3. Methodology

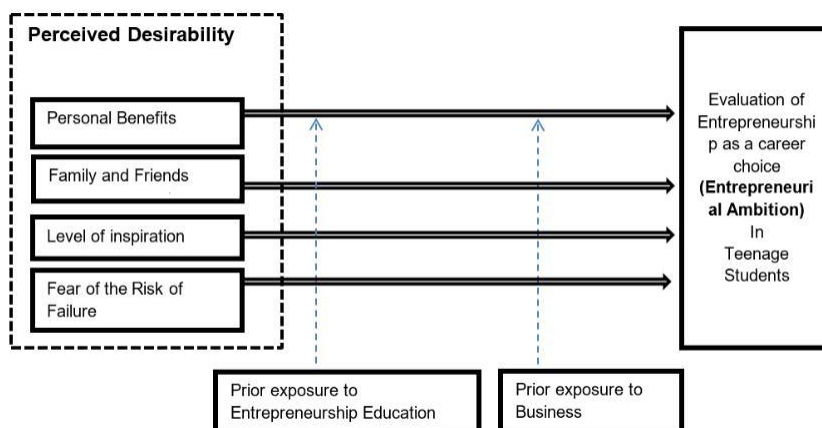


Figure 2: The Conceptual Framework

Table 1 summarizes the constructs, the variables, the indicators which were used to measure the construct and the measurement method.

Table 1: The Operationalization of variables

Construct	Dimensions / Variables	Indicators
Entrepreneurial Ambition	Desire to opt for a future entrepreneurial career	Desire to Start a business in Future as a career avenue
Perceived Personal Benefits leading to Desirability of Entrepreneurial Career	Autonomy of work (Van Gelderen (2006)	Desire for Autonomy of work
	Economic benefits Lingfei Wu et al (2010)	Desire for economic benefits
	Social reputation Lingfei Wu et al (2010)	Desire for Economic independence/discretion (Xue Fa Tong et al (2011)
Inspiration by Role Models	Inspiration by Role Models Saeid Karimi et al (2014)	Inspiration to emulate role models

Fear of failure (Wang &Wong 2004)	Fear of failure (Wang &Wong 2004)	Perceived Level of Risk
Family & Friends	Family & Friends (Wang &Wong 2004)	Parental Perception on business/entrepreneurship
		Family encouragement
		Peer behavior/encouragement
Prior exposure to Entrepreneurial Education & prior business Experience	Education (Wang &Wong 2004) Experience (Wang &Wong 2004)	Exposure to Entrepreneurial Education Prior /family exposure to business

Source: Author developed

The Inspiration by Role Models on the other hand did not emerge as a valid construct in the research model. It is observed that the volume of literature proposing a direct link between these constructs is very scarce. However, the failure to emerge as a factor from the responses could be thought of as attributable to the local context and the characteristics of sample. In Sri Lankan context we had few personalities who were celebrated for their entrepreneurial contribution and calibre and they have hardly been able to project an image of entrepreneurial value disruption like Bill Gates or Steve Jobs. Perhaps the cultural and circumstantial distance of these entrepreneurs at a global stage needs to be considered to have a tangible inspiration in local students. Alternatively, students are still being influenced by the opinions of the generation which their parents belonged to when a series of socialist policies were brought about, discouraging private businesses and painting a damaging picture of the business community and possession of personal wealth. It is believed that lesser prominence of the Inspiration by role models as a factor may have been a consequence of the lack of an opportunity for such interaction in the present school system.

The other important finding is the fact that the moderation effect of prior exposure to entrepreneurial education was proposed in the model as a moderation variable getting support by the research results Non Parametric test Mann-Whitney U Test (because data is not normal as per Shapiro-Wilk criterion) on the equality of sample medians was

performed to see if there are differences in either Entrepreneurial Ambition, Perception of Benefits or the Friends and Family Encouragement depending on categorical variables Gender, Race or Religion. It revealed that none of the variables tested have a dependence on gender. Entrepreneurial Ambition and Friends & Family Encouragement have a dependence on respondents' ethnicity. All of the three variables Entrepreneurial Ambition, Perceived Benefits of Entrepreneurship and Friends & Family Encouragement have a dependence on Religion.

Comparison between Sinhala and Tamil groups revealed the existence of significant differences in favour of Tamil students with respect to the Entrepreneurial Ambition, Friends & Family Encouragement as well as the Prior Exposure to Entrepreneurial Education. Comparison between Sinhala and Muslim students revealed that Sinhala students showed higher level of Prior Exposure to Entrepreneurial Education. Comparison between Tamil and Muslim students revealed that Tamil students showed higher level of Prior Exposure to Entrepreneurial Education as well as Prior exposure to Business. However, it has to be noted that the fact that the Muslim students subjected to the survey were girls could have played a role in the outcome of the responses. Contrary to the conventional belief, the Muslim students did not show a higher level of parental background as entrepreneurs. However, they outclassed other ethnicities in terms of the presence of entrepreneurs in close circles.

As per recommendations, it is clear that the encouragement towards entrepreneurship as well as the positive reinforcement of the perception of benefits of entrepreneurship should begin as early as 15 years if not at an earlier stage. The main recommendation emerging out of the research study is the augmentation of entrepreneurial education into the school curriculum of the students of the subject age group as the research supports the finding of the existence of a tangible proposition in Entrepreneurial Ambition among the teenaged students. This highlights the need to lay more emphasis on the benefits that entrepreneurship could bring to individuals as it will act as a motivator and selling point to induce career preferences in that direction.

This finding could be harnessed at educational policy making level to restructure and include entrepreneurial education in the school curriculum of the subject age group. A further development is the establishment of entrepreneurial societies and circles in school as extra-curricular activities to encourage exchange of ideas and experiences among peer students. The same entrepreneurial societies and circles could be used to introduce interaction of students with established and reputed entrepreneurs to share their success stories which could inspire students towards having entrepreneurial inclinations.

Most of the literature supports an approach of adopting non-class room type education where entrepreneurship competencies are the focus, while they are seen as “behavioral and observable and are linked to the origin, growth, and survival of company” and “entrepreneurial competencies are often psychological or social skills” and the taught competencies should include important attributes like “leadership, identify opportunities, creativity, innovation, analytical skills, communication, problem solving, flexibility and adaptability, critical thinking and networking ability” (Farhangmehr et. al., 2016).

5. Conclusion

This research found the existence of two factors; Perception of benefits of entrepreneurship and family and friends’ encouragement contribute to the entrepreneurial ambition of Sri Lankan teenage students. It revealed the moderation effect caused by prior entrepreneurial education on the interaction between perception of benefits of entrepreneurship and entrepreneurial ambition. The study revealed existence of differences with respect to entrepreneurial ambition and antecedents in different communities.

6. Future research

As for future research, more research could be conducted in students in their early teenage, possibly 13 years to 14 years, as well to see if the same findings emerge. This would enable future policy makers to judge when it is most opportune to encourage entrepreneurial inclinations. Furthermore, a longitudinal analysis could be conducted to see how many of the students who show an ambition to become entrepreneurs at an early age fulfill their ambitions while how others, who do not

show such a motivation to become an entrepreneur, change their minds with age.

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