

A COMPARATIVE STUDY ON ENTREPRENEURIAL INTENTIONS OF VOCATIONAL SCHOOL AND UNDERGRADUATE STUDENTS WITH ENTREPRENEURSHIP EDUCATION

İzlem Gözükara Yıldız, Nurdan Çolakoğlu
Istanbul Arel University, Istanbul, 34537, Turkey

Abstract

Entrepreneurial intention is the precursor of entrepreneurial activities. It is an intellectual state which is considered the most significant construct to predict entrepreneurial behaviors. Individuals' entrepreneurial intentions are determined by multiple factors. As one of these factors, entrepreneurship education has many potential consequences or benefits since the role of education individuals receive and the transferable abilities they gain during their higher education are highly important for building certain characteristics that are usually attributed to entrepreneurial behaviors. Therefore, the present study aims to compare entrepreneurial intentions of vocational school and undergraduate students receiving entrepreneurship education in a foundation university. The study data was collected using questionnaires. The results of the study demonstrated that the entrepreneurial intention of undergraduate students who take entrepreneurship courses is higher compared to vocational school students. Additionally, 58.6% of vocational school and undergraduate students who take entrepreneurship courses believe that these courses lead them to entrepreneurship.

Keywords: *entrepreneurial intention, educational background, entrepreneurship education*

1. INTRODUCTION

It is crucial to induce entrepreneurship in a country due to the great socioeconomic difficulties faced by countries; however, this process would be beneficial only if it is initiated at early ages, and educational institutions have policies toward developing entrepreneurial abilities of young generations (World Economic Forum, 2009).

Entrepreneurship has gained a critical role in the modern day due to such contributions to the economies of societies. This has led entrepreneurship education to become more important to prepare students for handling the business life of the modern world. Entrepreneurship courses are now considered key skills required by students with business major, as is the case with the sense of entrepreneurship and initiative for almost all majors around the world.

Entrepreneurship education may be described as “opportunity recognition, marshalling of resources in the presence of risk, and building a business venture” (Kourilsky, 1995, p.10) as well as “a collection of formalized teachings that informs, trains, and educates anyone interested in business creation, or small business development” (Bechard & Toulouse, 1998). From a wider perspective, entrepreneurship education is not only about preparing individuals for business based on self-employment and business ownership, but also about building a sense of entrepreneurship and innovativeness for pursuing entrepreneurial behaviors (Gibb, 2002).

Therefore, the present study aims to compare the entrepreneurial intentions of vocational school and undergraduate students receiving entrepreneurship education.

2. LITERATURE REVIEW

2.1. Entrepreneurial Intention

An intention refers to “a person's motivation to make an effort to act upon a conscious plan or decisions” (Conner & Armitage, 1998, p.1430). Bird (1988) defines intention as a cognitive element driving people to concentrate on a specific thing or path for goal achievement. As reported by Tubbs

and Ekeberg (1991), intention is an intellectual picture of an objective and the process of planning for the accomplishment of such objective.

In this sense, entrepreneurial intention represents an individual's motivation to make a deliberate plan to execute a venture creating behavior. Thompson (2009) describes entrepreneurial intention 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" (p.676).

Since it is an attitude, entrepreneurial intention may be positive or negative, and external factors such as education have an impact on building such intentions (Ajzen, 1998; Robbins et al., 1991). In fact, entrepreneurial intention is considered one of the expected outcomes of entrepreneurship education (Yar Hamidi et al., 2008; Kolvereid & Moen, 1997; Wu & Wu, 2008). Entrepreneurial education should be in line with the increasing demand and interest. However, the context and content of such education may vary in different higher education institutions and countries. As stated by Drucker (1994), and Bygrave and Zacharakis (2004), entrepreneurship education has to develop skills toward imagination and creativity, and a capacity for conceptual thinking as well as the sense of opportunity recognition. This, of course, should be supported by developing primary skills to found and manage a new enterprise.

There are multiple studies reporting that entrepreneurship education courses have a positive impact on developing entrepreneurial intentions (Peterman & Kennedy, 2003; Kolvereid & Moen, 1997; Fayolle et al., 2006). However, a few studies have investigated entrepreneurial education specifically at higher education institutions (Wang et al., 2002; Autio et al., 1997).

2.2. Entrepreneurship Education

Entrepreneurship education primarily provides students with an opportunity to be involved in an assignment in a repeating manner and thereby, enhances their performance skills for further similar assignments. For instance, a task of business plan, opinion presentation or market analysis given in an entrepreneurship course may help students to improve their self-confidence and self-performance. Secondly, entrepreneurship education provides students with the opportunity to meet role models or actual entrepreneurs via seminars, conferences or case studies. Thirdly, entrepreneurship education provides students with feedbacks from other students or teachers through the discussions during the course or the performance during a task, which results in the development of social persuasion skills. Furthermore, it has influence on self-efficacy beliefs of individuals, as pointed out by several empirical studies (Bergman et al., 2011; Wilson et al., 2007; Zhao et al., 2005).

Briefly, entrepreneurship education has many potential consequences or benefits, and the one considered most important in the literature is the entrepreneurial intention (Yar Hamidi et al., 2008; Fayolle et al., 2006; Galloway & Brown, 2002; Wu & Wu, 2008). There are several studies analyzing the effect of education on entrepreneurial intention in the literature. For instance, the study by Souitaris et al. (2007) was conducted with students in science and engineering majors in two leading universities in Europe, and revealed that "entrepreneurship programs are a source of trigger-events, which inspire students (arouse emotions and change mindsets). Inspiration is the program-derived benefit that raises entrepreneurial attitudes and intentions" (p. 585). Similarly, Fayolle et al. (2006) established a powerful and a measurable influence of entrepreneurship courses on the entrepreneurial intention of students. In the study by Kolvereid and Moen (1997), the behaviors of business graduates with a major in entrepreneurship were compared with those of different major students in a business school in Norway, and the authors reported a stronger entrepreneurial intention in graduates with entrepreneurship major. Yar Hamidi et al. (2008), similarly, reported a positive relationship between entrepreneurial intention and great performance in a 'creativity in entrepreneurship' program. Based on this theoretical background, the hypotheses of the present study are formulated as follows:

Hypothesis 1. Entrepreneurship education has a positive effect on entrepreneurial intention.

Hypothesis 2. There is a difference in entrepreneurial intentions of vocational school and undergraduate students, who are taking entrepreneurship courses.

3. METHODOLOGY

3.1. Research Goal

The present study aims to compare the entrepreneurial intentions of vocational school and undergraduate students who received entrepreneurship education. The study hypotheses were tested using questionnaires.

3.2. Sample and Data Collection

A convenience sampling method was used in the present study. The study included a total of 201 participants who were vocational school and undergraduate students (vocational school students: 88, undergraduate students: 122; female: 54.6%, male: 45.4%) taking entrepreneurship courses in a foundation university located in Istanbul, Turkey. The mean age of the study participants was 21.77 years with a standard deviation of 3.038.

3.3. Instruments

Entrepreneurial Intention was measured using a four-item instrument based on the work by Liñán and Chen (2009) and Van Gelderen et al. (2008) (e.g. “I have considered becoming an entrepreneur one day”, and “When the opportunity arises, I will become an entrepreneur”). The items are measured using a five-point Likert scale ranging from 1 (“strongly disagree”) to 5 (“strongly agree”). The Cronbach’s alpha of the instrument was 0.87.

Entrepreneurship education was measured using two questions determining whether the students had or were having any courses on entrepreneurship or small size enterprises, and whether such entrepreneurship course/education led them to entrepreneurship.

3.4. Analyses and Results

The Chi-square test was used to evaluate whether there was a difference in beliefs of 210 students, who were studying at a two-year vocational school and a four-year faculty and who took entrepreneurship courses, about the entrepreneurship course for leading them to entrepreneurship. According to the Chi-square test results, there was no difference between undergraduate and vocational school students in the belief that entrepreneurship course led them to entrepreneurship (Pearson Chi-Square=0.487, df=1, sig.=0.485). In other words, both vocational school students and undergraduate students believed that the entrepreneurship course led them to entrepreneurship. As shown in Table 1, 56.6% of undergraduate students and 61.4% of vocational school students, and 58.6% of overall students believed that the entrepreneurship course fulfilled its mission. The hypothesis H_1 expressing that entrepreneurship education has a positive effect on entrepreneurial intention was affirmed. Here, a very important point to be considered is that this entrepreneurship course given as a single course has created a highly significant effect on entrepreneurial intentions of students. Accordingly, increasing the number of courses related to entrepreneurship would result in increased number of students with entrepreneurial intention.

Do you think that the entrepreneurship course/education has led you to entrepreneurship?				Total
		Yes	No	
Undergraduate	Count	69	53	122
	% within Faculty Vocational School	56.6%	43.4%	100.0%
Vocational School	Count	54	34	88
	% within Faculty Vocational School	61.4%	38.6%	100.0%
Total	Count	123	87	210
	% within Faculty Vocational School	58.6%	41.4%	100.0%

Table 1: Beliefs of Vocational School and Undergraduate Students about the Entrepreneurship Course

The Cronbach's alpha reliability coefficient of the entrepreneurial intention scale consisting of four items was 0.84. The KMO (0.709) and Barlett's Test of Sphericity (Chi-Square=424.463, df=6, sig.=0.000) values obtained from the factor analysis, which was performed to see that the Entrepreneurial Intention Scale consisting of four items measured a single construct, suggested that the data was eligible for factor analysis. A single factor obtained from the factor analysis demonstrated that the four-item scale measured a single construct (entrepreneurial intention) and had a very good total variance with 67.6% (Table 2).

	<u>Component^a</u>	Eigenvalue	% of Variance
I never see myself becoming an entrepreneur.	.882	2.704	67.598
I have considered becoming an entrepreneur one day.	.821		
When the opportunity arises, I will become an entrepreneur.	.793		
I have never given the start-up of an enterprise much thought.	.788		
Extraction Method: Principal Component Analysis.			
a. 1 component extracted.			

Table 2: Entrepreneurial Intention Scale

The Independent T-Test was used to evaluate whether there was a difference in entrepreneurial intentions between vocational school and undergraduate students using the entrepreneurial intention scale. The mean entrepreneurial intention of undergraduate students was 15.7377 with a standard deviation of 4.19524, whereas the mean entrepreneurial intention of vocational school students was 11.9524 with a standard deviation of 2.36790. According to the t-test results ($t=7.630$, $df=208$, $sig.=$

0.000), there was a difference at a significance level of 0.05 in entrepreneurial intentions between undergraduate students and vocational school students. As understood from the mean values, the entrepreneurial intentions of undergraduate students were higher than the entrepreneurial intentions of vocational school students, and the hypothesis H_2 was affirmed.

4. CONCLUSION

The present study compared the entrepreneurial intentions of vocational school and undergraduate students who received entrepreneurship education. The study data was collected in a foundation university using questionnaires. Chi-square and t-tests were used to evaluate whether there was a difference in assessments of students who took entrepreneurship courses at the undergraduate and vocational school levels about the effect of such entrepreneurship course on leading them to entrepreneurship.

The study results suggest that entrepreneurial education has a positive effect on entrepreneurial intentions of students. Based on the findings, the undergraduate students who take entrepreneurship courses have higher entrepreneurship intentions compared to the vocational school students who also take entrepreneurship courses. In addition, 58.6% of vocational school and undergraduate students who take entrepreneurship courses believe that such courses direct them toward entrepreneurial activities. This finding is in agreement with previous studies which have reported the significance of educational institutions in enhancing the students' sense of entrepreneurship through courses (Kuratko, 2005; Carrier, 2005; Honig, 2004; Krueger et al., 2000; Souitaris et al., 2007).

Therefore, we recommend higher educational institutions to invest in entrepreneurship education by improving the theoretical and applied content of their courses on entrepreneurship. As well, the number of entrepreneurship courses should be increased to enhance the entrepreneurial intentions of students. Furthermore, higher education institutions may teach entrepreneurship as an individual major instead of just entrepreneurship courses.

We believe that entrepreneurship education would produce better outcomes when started at early ages, so such education should also be included in the syllabi of primary and secondary educational institutions.

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