

INVESTIGATING THE ENTREPRENEURIAL INTENTIONS OF YOUNG STUDENTS- THE CASE OF MOTIVATIONAL FACTORS

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ABSTRACT

The trend of becoming entrepreneurs is increasing among young individuals. Based on research, different motivational factors are playing an important role in increasing the trend of entrepreneurship among young individuals. The entrepreneurial, work, social, individual, and economic core are some of the main motivational factors discussed in this paper. The study attempts to investigate the motivating factors of young students to start an entrepreneurial career by using a quantitative approach. The results of the study show that the role of motivational factors listed in a specific order is quite important in increasing the trend of becoming an entrepreneur among younger students.

Keywords: *motivation, entrepreneurship, young students, factors*

1. INTRODUCTION

The unemployment issue is increasing with the passing time and young people are facing difficulties in finding suitable employment opportunities because of a lack of experience. Entrepreneurship is becoming the main focus of young individuals, governments, academia, and media as a source of developing employment opportunities in the market (Memon, Makhdoom, Shah, and Tunio, 2020). Entrepreneurship is considered the source of economic and social development, creating employment and promoting technological innovation. Entrepreneurship in simple words is the intention of the individuals to set up a new venture and introduce the innovation in the market

(Kirkley, 2006). The social and economic growth of the country is highly dependent on both education and entrepreneurship (Anjum et al. 2020).

Entrepreneurship is the practice of classifying and developing opportunities and taking risks to fill the market gap (Kirzner, 2000). Governments all around the world are

promoting entrepreneurship but, in some countries, specifically the developing countries the development is quite slow because of the lack of motivation among young people. Shane & Venkataraman (2000) defined entrepreneurship as the practice that includes the association, evaluation, and development of opportunities to develop innovative products, services, and procedures and to enhance the capability by performing in different market structures.

According to literature, entrepreneurship is directly related to the motivational variables that help develop young individuals' intentions towards starting their own business and plays a role in the economic and social well-being of society. The motivational variables associated with entrepreneurship can be classified as psychographic variables and demographic variables (Snieska et al. 2020). Many studies have supported the fact that psychological and personality variables are in direct association with the development of the new venture and also distinguish the entrepreneurs from non-entrepreneurs. The variables include the capability of taking the risk, ability to control, acceptance of uncertainty, and effective

strategy development and decision-making ability (Nosková, & Peráček, 2019). The other motivational factors include financial prosperity, owning a venture, being a boss, and introducing significant and advanced products in the market by putting the effort (Ashley-Cotleur et al. 2009; Benzing et al. 2007). The perception exists that motivational factors vary with each country, region, and culture and the influence of these factors directly impacts the particular and emotional behaviors (Swierczek & Ha, 2003; Turker & Selcuk, 2009). The objective of this paper is to analyze the different factors and to evaluate whether these factors play a role in motivating young individuals to become successful entrepreneurs.

2. MOTIVATIONAL FACTORS AND ENTREPRENEURIAL ACTIVITIES

The researchers are analyzing the different motivational factors that lead to entrepreneurial activities specifically among young individuals (ReyMartí et al. 2015). Williams & Williams (2014) defines the two important classifications of motivation that are the difference between the opportunity-driven cause and the compulsion of becoming an entrepreneur. The individuals that start their ventures through the opportunity-driven cause enter the market to introduce innovation and are highly motivated because of the self-decision of becoming an entrepreneur. Such individuals start the business to earn money by playing the role of economic and social stability (Androniceanu, Sabie, & Pegulescu, 2020). The second component involves the necessity of becoming an entrepreneur because of the lack of employment opportunities. Such individuals are forced to make a choice of starting their venture and the motivation level in this component is not that high because of the forced factor choice (Angulo-Guerrero et al. 2017). Anyhow, according to the literature, both necessity and opportunity are not two different motivations, but the combination of both objectives results in entrepreneurship (Eijdenberg, Paas, & Masurel, 2015).

According to Fairlie and Fossen (2018), individuals that are unemployed before starting a business are the majority of necessary entrepreneurs. Such individuals either lack

the skills or maximum education level or are victims of job discrimination (Basu & Altinay, 2002). The motivation level of either type plays a significant role in starting the new venture and in the success of the venture because the motivation level builds the trust of an individual in his capabilities and makes him/her able to attain something important (Jafari Sadeghi & Biancone, 2017b).

3. RESEARCH METHODOLOGY

To properly address the goal of the paper, the research was designed as a quantitative study with convenience sampling. A quantitative questionnaire was used as the main research instrument.

For this research, an already validated instrument, developed by Vijaya and Kamalanabhan (1998) was used. An instrument investigated twenty-seven items classified in five categories as a motive to start an entrepreneurial career, measured on a five-point Likert scale, ranked from "not important" to "extremely important".

The factors investigated are classified as entrepreneurial core, work core, social core, individual core, and economic core, and each of these measures' different aspects of entrepreneurial motivation.

The researcher utilized convenience sampling using the personal contacts of the researchers as main contact points. Through these contact points, potential undergraduate and graduate students were contacted in universities in the Republic of North Macedonia. All potential participants were asked to fill in an electronic survey. A total of 78 responses were collected, among which 42% were males and 58% were females.

4. RESULTS AND DISCUSSION

The findings (Table 1 and Table 2) show that the entrepreneurial core is the primary motivator factor to start an entrepreneurial career, followed by the work core, economic core, individual core, and social core. In addition, Table 2. shows that there are no statistically significant differences, on a level of $p < 0.05$, between different gender groups.

Table 1- The cores as motivation factors

	Mean	
	Female	Male
Entrepreneurial core		
Make effective use of my risk-taking ability and succeed	4,75	4,68
Help people by providing them employment	4,88	4,84
Utilize the concessions or loans from the Government, Banks, etc.	4,33	4,28
Be independent	4,94	4,95
Provide good service or products to the community	4,75	4,79
Work core		
Use my decision-making/ problem-solving skills to profit in a career	4,69	4,68
Compete with others and prove to be the best	3,88	3,74
Get complete job satisfaction	4,56	4,58
Utilize my keen business sense	4,69	4,68
Exploit my innate talent and potential in a profession	4,69	4,68
Do something creative/ innovative	4,50	4,58
Do something/Achieve something that others usually do not	4,69	4,74
Social core		
Be a leader	4,38	4,47
Be an employer, never an employee	3,94	4,11
Attain the high social status	4,19	4,05
Show that I am inferior to none	3,50	3,53
Earn the respect of people	4,56	4,32
Individual core		
Get over monotony, experience change	4,50	4,53
Have my preferred work style and lifestyle	4,63	4,63
Enjoy the best luxury of life	4,00	4,05
Acquire lots of wealth for self	3,94	4,05
Economic core		
Make money to clear debts	4,25	4,16
Ensure the financial stability of children	4,88	4,84
Get over the shortage of money	4,07	4,11

Make my family rich	4,27	4,39
Supplement the family income	4,50	4,47
Get the best monetary returns for my talent	4,63	4,68

Table 2- Comparison between gender group

	Female	Male	Female	Male	Sig (2-tailed)
	Mean		SD		
Entrepreneurial Core	4,73	4,71	0,59	0,26	0,13
Work core	4,53	4,53	0,80	0,35	0,34
Social core	4,11	4,09	0,36	0,36	0,82
Individual core	4,27	4,32	0,31	0,98	0,15
Economic core	4,43	4,44	0,85	0,85	0,05

Based on the findings it can be concluded that different motivational variables influence young entrepreneurs' intentions of starting their businesses. Such variables can be classified into two major types demographic variables and psychographic variables. Ashley-Cotleur et al (2009) discuss in their study that psychology and personality are the two significant components that highly influence the setting of new business and also define the variations between the entrepreneurs and non-entrepreneurs. The psychological and personality components as a part of the entrepreneurial core, refer to the capability of the individual of taking a risk, control level, and acceptance for uncertainty. This is in line with the research results from this paper, taking into consideration that these are the most important motivators for starting an entrepreneurial career.

Additionally, the results uncovered that some motivational factors play an important role in developing the young entrepreneurs' intentions including the monetary advantage and recompenses (which are placed as number 3 in Table 1) and to stand the new and successful business by putting his strengths (Ashley-Cotleur et al. 2009). It is perceived that motivational

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