



Entrepreneurship Education in Higher Education: Analysis of Students' Readiness to be an Entrepreneur after Graduation - A Case of Gondar University Students

Oumer Muhammed Eshetu¹ and Derbew Kenubeh Dagnev (PhD)²

1. Assistant professor, School of Management and Public Administration, University of Gondar, Ethiopia
2. Assistant professor, Department of Accounting and Finance, University of Gondar, Ethiopia

Abstract: *Across the world, entrepreneurship regarded as important strategy for economic development to country, society as well as individual. The paper empirically investigates the readiness of university students towards self-employments after graduation with reference of University of Gondar undergraduate students. The paper used theory of perceived behavior, to measure Students Entrepreneurship intention. The result showed that, entrepreneurial education influencing career choice in favor of entrepreneurship for graduate students and from the outcome evidence that, personal attitude, social norm and perceived behavioral control significantly influence entrepreneurship intention of the students.*

Key Word: Attitude, Entrepreneurship Intention and Social Norm.

1. Introduction

Equipped with adequate business skill and knowledge has been cited as major factors for business ownership and the reverse is true that, lack of those skill and knowledge are major barriers for ownership (Wang & Wong, 2004). Considering this, more relevant education programs can perhaps help fill any identified knowledge gaps or skill deficiencies. Understanding of students' attitudes and intentions can be used to develop more effective entrepreneurship education programs.

Contemporary, the global interest in entrepreneurship education and skills has been growing rapidly because entrepreneurship has been considered as means for individual as well as national economic developments and competitiveness. For most developing countries, the inclination for entrepreneurship development is largely due to the positive effects it has on and considered as a catalyst for wealth creation and reduction of unemployment (Gurol and Atsan 2006). In addition, developing countries like Ethiopia the existing economy cannot create total job opportunities for young generations and graduate students must compete to secure a job as supply of jobs is limited. Considering these students are inclined for a business education which leads them to equip enough with the necessary entrepreneurship knowhow and skills to succeed in

running their own businesses as well as to create a job from seizing existing entrepreneurial opportunities (Henry 2003).

Moreover, the study findings showed that, since wages employment or 'secure' employment is no longer a guarantee especially in the public sector for university graduates, the interests of entrepreneurship related training; most importantly entrepreneurship education has increased (Gurol and Atsan et al. 2006). Recognitions of this, most business schools at universities now include entrepreneurial course as part of their curricula.

In Ethiopian the proclamation for higher education (Ministry of Education, 2008/9) emphasizes entrepreneurship and enterprise development as one of the prime objectives of the education system in Ethiopia. As per the proclamation graduates from different educational institutions at different levels should focus on job creation than job seeking. The document further insists that graduates should be participate and develop the enterprise. To achieve this objective and to create entrepreneurial spirit in the students, many educational programs particularly in the TVET colleges and universities have included at least one course on entrepreneurship in their curriculum.

Although Ethiopia has experienced impressive economic growth over the past decade young

people are still finding it difficult to gain employment and advance according to various development indicators. The difficulties of urban life are a source of youth frustration and may render certain young people vulnerable to illegal migration. Generally speaking, the problem of unemployment and poverty requires the rethinking of strategies. One strategy that has helped many developed and developing countries to overcome the problem of unemployment, has been the development of entrepreneurship (ILO 2006).

One of the challenges for educators and policy-makers working in higher education is to assess the extent to which their programs are preparing students for the whole spectrum of working life, including paid employment, work in cooperatives, self-employment, setting up businesses, family work, social work and voluntary work. In the past, in developing countries like, Ethiopia, most higher education programs are basically designed to prepare people for paid employment and many focuses on employment in public organization. While to accomplish the desired economic growth for the country and reducing unemployment rate, its necessary equipping students with an entrepreneurial mindset.

Research Gap

After reviewing the existing literature, the role of entrepreneurial education on entrepreneurial intention is inconclusive. In one side the emerging themes in entrepreneurship literature relate entrepreneurial education to developing and nurturing entrepreneurial motivation and skills (Franke, N., & Luthje, C., 2004, Basu, A., & Virick, M 2008,). In contrast still prior research works do not address whether entrepreneurial education affects the intentions of students to be an entrepreneur after graduation (Owoseni & Akanabi, 2010). Taking into account the above viewpoints we can think of core research problems to be addressed in this critical review. Especially in Ethiopian context, simply include one course in the curriculum can create entrepreneurial spirit in the students are questionable.

Moreover, the study conducted in private higher education students in Ethiopia, the most barriers for students to pursue entrepreneurial as career after graduation was shortage of initial capital and fear of the risk respectively (Teshome, 2014). However, this study does not include the public

university, and the study measurement doesn't evaluate the behavioral factors in the pedagogical ways. Hence, the above factors can be considered as serious research gap related with this study. Thus, this study addressed the readiness's of students to be entrepreneur or establish their own business after graduation, with particular references of University of Gondar graduate students.

2. Reviews of Literature

2.1 overviews of entrepreneurship

Entrepreneurship is defined as a dynamic process of creating incremental wealth by entrepreneurs who take responsibility for the major risks in terms of equity, time and career commitment (Hisrich, Michael, & Shephard, 2005). Also, according to them, Entrepreneurship include few behaviors such as (1) initiative taking, (2) organizing and reorganizing social and economic mechanisms to turn resources and situation to practical account, (3) the acceptance of risk or failure.

Shane (2003) described entrepreneurship as the act of being an entrepreneur. The word entrepreneur which is a French word means "one who undertakes innovations, finance and business acumen in an effort to transform innovations in economic goods". He continued that the result of entrepreneurship may be a new organization or a part of revitalizing mature organization in response to a perceived opportunity. The most obvious form of entrepreneurship to him is that of starting a new business.

2.2 Entrepreneurship Education

In the present research papers entrepreneurs play greater role for individual as well as national economy and considered as strategy to reduce youth unemployment and poverty rates. One of the means to equipped entrepreneurial mindset for youth is entrepreneurs education. Entrepreneurship education has become one of the approaches through which government policy intervention can support entrepreneurship by influencing the determinants of entrepreneurial behavior.

As Venkatachalam and Waqif (2005) explained that when students have high entrepreneurship skill and inclined to be an entrepreneurs after their graduation it has multidimensional benefits to reduce unemployment in two different ways: in the

first case it have advantage to creates employment opportunities for themselves (self-employment) as well as employment for others, secondly , equipped students with entrepreneurial skills and attitudes are important to cope with the general shift from traditional job-for-life careers towards portfolio careers. However, unlike traditional business courses, which have teaching in formal way many years in universities all over the world, formal entrepreneurship teaching in the tertiary level is a relatively young course (Gatchalian, M.L, 2010). Thus, considering this measuring the role of entrepreneurships course on students' readiness to be self-employed, as well as entrepreneurs after graduation is necessary to crate fretful education strategy.

According to Yaghoubi-Farani et al (2017), Entrepreneurial education is needed to improve students' skills and knowledge, enhance their Entrepreneurial intention and perceived behavioral control. In addition, it is important to expose students to entrepreneurial role models and their businesses and to promote entrepreneurial careers as desirable and feasible options that may bring more advantages than working in the government or private sector.

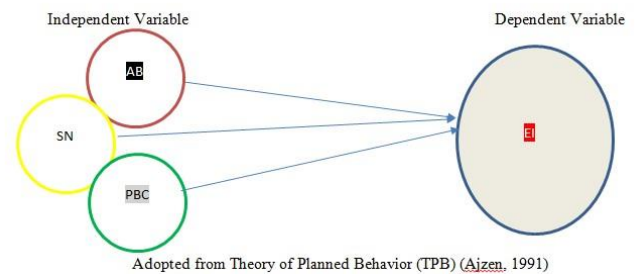
2.3 Measurements of entrepreneurship intention

Among entrepreneurships behavioral measurements through pedagogical processes and learning contexts, the Ajzen (1991) Theory of Planned Behavior (TPB) is considered as a relevant tool to model entrepreneurships intention (Fayolle, and Lassas-Clerc, 2006; Krueger et.al 2000). The theory identifies three conceptually independent determinants of intention. These determinants of intention include attitude toward the behavior, Social norm, and Perceived behavioral control.

The first dimension, Attitude toward the behavior, refers to the degree to which a person has a favorable or unfavorable evaluation or appraisal of the behavior in question. The second-dimension Social norm, it refers to the perceived social pressure to perform or not to perform the entrepreneurial behavior. And the third dimension the degree of perceived behavioral control which refers to the perceived ease or difficulty of performing the behavior and it is assumed to reflect past experience as well as anticipated impediments and obstacles (Ajzen, 1991).

2.4 Research framework

The study develops a research framework considering the above variables, attitude toward the behavior (AB), Social norm (SN), and Perceived behavioral control (PBC) as independent variable and students entrepreneurships intention (EI) as dependent variable.



3. Research Objective

The study outlined the following objectives considering the above research gap

- ✓ To investigate the extents of entrepreneurships course influence on student's entrepreneurial intention
- ✓ To analyze the levels of student's entrepreneurship intention determinant factors
- ✓ To examine the major factors affects students' entrepreneurial intention

4. Research Methodology

The study is designed as the cross-sectional survey for the quantitative study which is used to investigate the readiness of students to be an entrepreneur after their graduation. Thus, this study is classified as survey research. Participants for this research were obtained from University of Gondar graduate class students. The study sample size was 220 students. A combination of purposive stratified and simple random sampling techniques is used to select respondents from the sample. As this study is basically empirical in nature, primary data has been gathered from students. Structural questionnaires are designed on a scale of measurement basis to collect primary data, so that the variables could be ranked to measure the degree of their strength or the agreement or the disagreement of the respondents with the variables. And the questionnaire was tested before the actual data collection was made.

To determine the level of entrepreneurship course influence on student’s readiness, the study was used descriptive statistic mean and standard deviations, while regression analysis was conducted to know by how much the independent variable explains the dependent variable and to see the significance of each variable. A standard multiple regression was performed between student’s entrepreneurship intention the dependent variable and Personal Attitude (PA), Social Norms (SN) and Perceived Behavioral Control (PBC) as independent variables. The variables are adopted based on the Ajzen (1991) Theory of Planned Behavior (TPB). The theory considered as a relevant tool to model entrepreneurs intention (Fayolle, and Lassas-Clerc, 2006).

The regression equation took the following form:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$$

Where,

Y = Entrepreneurship Intention (EI)

β_0 = constant term

$\beta_1, \beta_2,$ and β_3 = estimated coefficients

X1 = Personal Attitude (PA)

X2 = Social Norms (SN)

X3 = Perceived Behavioral Control (PBC)

In the model, β_0 = the constant term while the coefficients were used to measure the sensitivity of the dependent variable (Y) to a unit change in the predictor variables. ε is the error term which captures the unexplained variations in the model.

5. Finding and Analysis

Under this section, data collected from the students are presented and the analysis is made based on the

information obtained from respondents. In this manner, questionnaires were distributed to a total of 220 respondents and 214 (95.9%) respondents’ questionnaire were returned back and found usable for the stud. As a result, the study tested hypothetically, and reviled the following results. The results of this study were analyzed by using the SPSS 20.0 software

5.1 Descriptive analysis

In this part the study was analyzed the extents of entrepreneurship course influence on student’s entrepreneurship intention and the levels of student’s entrepreneurship intention determinant factors

A. The extents of entrepreneurs course influence on student’s entrepreneurial intention.

With reference to Best (1977) on a five-point likert scale, responses ranging from 1 (very disagreed/ dissatisfied) through 3 (neutral) to 5 (very agreed/ satisfied), the mean score from 1-1.8 is lowest, from 1.81-2.61 is low, from 2.62-3.41 is average/moderate, from 3.42-4.21 is good/high, and from 4.22-5 is considered very good/ very high.

Thus, as depicted the table 1 below the levels of entrepreneurs course influence on student’s entrepreneurial intention are incline to good /high, which is M= 3.899 with SD=0.9967 and this result shows that, learning entrepreneurs course in the class as lecture form only, need to have adjustment to enhance students’ entrepreneurs intention to reach at very good level.

Table 1 Descriptive values of entrepreneurs course influence on student’s entrepreneurial intention

Statement	SD		D		N		A		SA		Mean	sd
	Fre	%	Fre	%	Fre	%	Fre	%	fre	%		
Entrepreneurship course											3.899	0.9967
The course inspires my entrepreneurship mindset	13	6.1	11	5.1	15	7.0	112	52.3	63	29.4	3.939	1.057
The course increases my knowledge about business idea	1	0.5	14	6.5	14	6.5	119	55.6	66	30.8	4.098	0.819
The course increases my knowledge about business plan	7	3.3	9	4.2	15	7.0	120	56.1	63	29.4	4.042	0.910
The course enhances my understanding about risk handling	6	2.8	24	11.2	25	11.7	112	52.3	47	22.0	3.794	0.999
The course enhances my understanding about managing business	7	3.3	29	13.6	25	11.7	108	50.5	45	21.0	3.724	1.015

The course inspires me entrepreneurships is possible to me	4	1.9	24	11.2	25	11.7	119	55.6	42	19.6	3.799	0.945
---	---	-----	----	------	----	------	-----	------	----	------	-------	-------

B. The levels of Entrepreneurship Intention Determinants factors

As it is clearly indicated in the e table 2 below, the mean score of the personal attitude found to be 3.78, and showing that students has high favorable behavior to be an entrepreneur after graduation. When we see, the perceived pressures of family, friend and the communities on student’s entrepreneurship intention scoring 3.24 mean value, which means the perceived social pressures has moderate/ average level of influence on student’s behavior.

Table 2 Descriptive statistics for levels of Entrepreneurship Intention Determinants factors

Determinants	N	Mean	Std. Deviation
Personal attitude	214	3.78	0.7311
Social norm	214	3.24	0.7659
Perceived behavioral control	214	3.41	0.7573

Moreover, the result depicts that perceived behavioral controls has 3.41 mean score and showing that the student’s perception how ease or difficulty of performing entrepreneurship after graduation has average influence. Generally, from the above findings we can understand that students’ attitudes have high mean score than perceived behavioral control and social norms.

5.2 Regression analysis

A. The major factors affect students’ entrepreneurial intention

Table 3 Model Summary on factors affects entrepreneurship intention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.722 ^a	.521	.509	4.58999	24.877	.000

a. Predictors: (Constant), PBC, PA, SN

The result the model summery shows that personal attitude, social norm and perceived behavioral control were joint predictors of entrepreneurship intention with (adjusted R2= 0.509; p<0.05). The

predictor jointly explained 50.9% of the variance of Entrepreneurship intention, whiles the remaining 49.1% could be due to the effects of other variables.

Table 4 Regression Coefficient on factors affects entrepreneurship intention

Model	Un standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	8.910	1.887		4.721	.000
PA	.436	.117	.311	3.731	.000
SN	.338	.122	.260	2.776	.006
PBC	.343	.102	.281	3.356	.001

a. Dependent Variable: EI

In addition, when we see the individual predictions of each variables in the above coefficient table 4 personal attitude, social norm and perceived behavioral were significantly independent predictors of entrepreneurship intentions with (B =0.311, 0.260, and 0.281; P< 0.05) respectively. This indicated that among the three variables personal attitude has slightly high impact on entrepreneurship intention compared with others, since all variables are significant predictors of entrepreneurship intention and collectively has positive prediction the variables induce student's intention to be an entrepreneur after graduation.

This study results are supported by different research findings. Teaching Entrepreneurship for students' in the university as well as opening entrepreneurship education programs are source of entrepreneurial attitude and this in turn play important role on overall intentions to become future entrepreneur (Souitaris et al., 2007). In addition, according to Asfaw (2015) the study carried out on Addis Ababa University undergraduate students indicted that perceived family and friends pressure have a positive effect on student's entrepreneurship intention.

6. Conclusion

This study focused on how entrepreneurship education plays significant role to enhancing students' entrepreneurship intention and the study investigates major factors affecting the readiness of students to be entrepreneur after their graduation. The study findings show that entrepreneurship course has high levels of influence on students' entrepreneurial attitudes and this in turn creates that students developed high favorable behavior to be an entrepreneur after graduation. In addition, the results show that the perceived pressures of family, friend and the communities as well as the student's perception how ease or difficulty of performing entrepreneurship after graduation has average/moderate levels of influence on student's entrepreneurial readiness. Based on the regression analysis, the Study has also found personal attitude, social norms and perceived behavioral control were jointly predicts student's entrepreneurship readiness by 51.9% and from individual prediction of the variables the highest influence is revealed in personal attitudes which is 31.1%.

Based on the study findings the study recommended that universities leaders, entrepreneurship development center and other related stakeholder in Ethiopia should work together to enhance student's entrepreneurship mindsets through business competition, role model invitation, workshops and training. Besides, teaching entrepreneurship as a course. Plus, Students family, friends and the societies should support students to have sprite of entrepreneurship and job creation intention than, to become job seekers. Moreover, Students should participate in different real business activities to acquired business experience in their free times. Finally, other researchers should address what should be done to enhance self-employments intentions of graduate students, besides entrepreneurship education.

7. Reference

- Ajzen, I. (1991). "The theory of planned behavior," *Organizational behavior and human decision processes*, 50(2), 179-211.
- Asfawu, A. (2015). "Entrepreneurial Intention of Undergraduate Students," *Impacts of Attitudes and Role Model. (in Case of College of Business and Economics of Addis Ababa University)* (Doctoral dissertation, Addis Ababa University).
- Basu, A., & Virick, M. (2008). "Assessing entrepreneurial intentions amongst students," A comparative study. In *Venture Well. Proceedings of Open, the Annual Conference* (p. 79). National Collegiate Inventors & Innovators Alliance.
- Fayolle, A., Gailly, B., & Lassas-Clerc, N. (2006). "Assessing the impact of entrepreneurship education programmes:" a new methodology. *Journal of European industrial training*. 30, 701-20.
- Franke, N., & Luthje, C. (2004). "Entrepreneurial intentions of business students," benchmarks study. *International Journal of Innovation and Technology Management*, 1 (3), 269 – 288
- Gatchalian, M.L, (2010). "An In-depth Analysis of the Entrepreneurship Education in the Philippines", An Initiative towards the Development of a Framework for a Professional Teaching Competency Program for Entrepreneurship

Educators. *The International Journal of Research and Review* 5, 201-212

Gurol, Y. and N. Atsan (2006). "Entrepreneurial characteristics amongst university students" Some insights for entrepreneurship education and training in Turkey. 48 (1): 25-38

Souitaris, V., S. Zerbinati, (2007). "Do entrepreneurship programmes raise entrepreneurial intention of science and engineering students", the effect of learning, inspiration and resources. *Journal of Business Venturing* 22: 566-591

Kourilsky, M. L. and W. B. Walstad (1998). "Entrepreneurship and female youth: Knowledge, attitudes, gender differences and educational practices." *Journal of Business Venturing* 13: 77-88

Krueger, N. F., Reilly, M. D. & Carsrud, A. L. (2000), "Competing models of entrepreneurial intentions," *Journal of Business Venturing* 15 (5-6), 411-432.

Laukkanen, M. (2000), "Exploring alternative approaches in high-level entrepreneurship education: Creating micro mechanism for endogenous regional growth", *Journal of Entrepreneurship and Regional Development*, 12 (1) 25-47

Martinez, D., Mora, J. G. & Vila L. E. (2005). "Entrepreneurs, the self-employed and employees among young European higher education graduates" *European Journal of Education*, 42(1), 99-117

Teshome T (2014). "Attitudes of private higher education students towards entrepreneurship," *Middle-east journal of science and research* 19(2):277-285

Venkatachalam, V. B. and A. A. Waqif (2005). "Outlook on integrating entrepreneurship in management education in India." *Decision* 32(2): 57-71

Wang, C. K. and P. K. Wong (2004). "Entrepreneurial interest of university students in Singapore." *Techno-ovation* 24(2): 163-172