



ASSESSMENT OF ATTITUDE ON GRADUATING STUDENTS TOWARDS ENTREPRENEURSHIP - A CASE STUDY ON MEKELLE POLY TECHNIQUE COLLEGE

Wendmu Halefom Berhe

Lecturer, Department of Management, Adigrat University, Ethiopia, East Africa

Cite This Article: Wendmu Halefom Berhe, "Assessment of Attitude on Graduating Students Towards Entrepreneurship - A Case Study on Mekelle Poly Technique College", International Journal of Multidisciplinary Research and Modern Education, Volume 3, Issue 2, Page Number 54-60, 2017.

Copy Right: © IJMRME, R&D Modern Research Publication, 2017 (All Rights Reserved). This is an Open Access Article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Abstract:

The objective of this paper is to assess the attitude of graduating students towards self employment. The research focused on personality traits and external factors to identify the attitude of graduating students towards starting own business. The five core personality traits such as need for achievement, internal locus of control, independent, risk taking and monetary value are used to measure the entrepreneurial attitude of students. In addition to the major external factors such as Different types of descriptive and multiple regression analysis are used to analyze the data and t-test and chi-square were employed to test the research hypotheses. In doing so major factors are identified and their influence level assessed using multiple regression statistics. It is conducted that attitude based on achievement, internal locus of control, monetary value had a significant impact on graduating student on choosing self employment as a career choice.

Background of the Study:

Entrepreneurship occurs widely in the world with positively impacted by the emergence of new and innovative business start-ups. These new businesses are important in creation and expansion of job opportunities which has a significant contribution to the economy (Cole, 1965). The rapid growth of entrepreneurship has a driving force to be recognized by the government owing to its social, economical, political, and spiritual well-being of an individual and social development in one country (Adetayo, 2007). Entrepreneurship is an attitudinal aspect which reflects an individual's motivation and ability to develop a new opportunity to create new economic value (European Commission, 2003). If an individual has more positive entrepreneurial attitude, he will achieve higher level of satisfaction in his/her self employment than those who are employed (Eisenhaur, 1995).The entrepreneurial attitude is essential for a better competitiveness of business which has an impact on the innovative production of the country. The decision to be self employed has been argued to be related to the satisfaction they derived from their own business (Eisenhaur, 1995).

The attitude towards entrepreneurship is an individual's perception about entrepreneurship, opinion and preference towards entrepreneurial activities or self-employment. People's attitudes towards entrepreneurs can reflect how desirable they find the prospect of becoming an entrepreneur themselves as a future career choice (Kolvereid, 1996, Guerrero et al., 2008). According to Carsrud and Brannback (2009), entrepreneurial mind set is very crucial for new entrepreneurs such as the graduates who would be engage in entrepreneurial activities in the near future. The growth of entrepreneurship program in college, universities and other educational institutions is significant for over two decades aiming to change the mindset of the students. Many Colleges and universities provide entrepreneurial courses to undergraduate and vocational students, including apprenticeship and practical programs outside the educational institutions (Adetayo, 2007). This is necessary because they would soon involve making business decisions in an uncertain and volatile world. In Ethiopia Entrepreneurship is viewed as a major driver of innovation, competitiveness and growth that is why government is giving emphasis on the issue regularly. Generally an entrepreneur has a responsibility to act upon the public interest by creating a job and making a profit (Spiker, 1989). Since the recent years, the number of entrepreneurs in Ethiopia is growing rapidly and is now becoming a centre of new business opportunities. Entrepreneurship development is amongst the strategies through which Ethiopia aimed to achieve its goal of becoming middle income country in the coming 2020 E.C.

Statement of the Problem:

According to ILO estimation, about 66 million young people in the world are wandering to find a job but facing difficult to secure it. It is added that from 66 million unemployed young people, 80% of them are found in the developing countries where economy is unreliable. Due to this most developing countries believed that entrepreneurship is a key solution to the ever-growing problem of unemployment for their young graduates. However, it has been found that this career choice is not accepted by graduate students, who believed entrepreneurship is a second or last choice. In the last few years, Ethiopia has shown significant economic growth with high numbers of graduates from higher institutions. Akpomi's research result indicated that only 12.4% of graduate students would be actually seeking to become entrepreneurs after graduation. This indicates

that the attitude of graduate students towards entrepreneurial thinking is very low. This may be due to lack of adequate information and training on entrepreneurship in college, universities and training institutions (Akpomi, 2009). According to RCLEP (2008), TVET graduates constitute significant figure of the percentage of the young unemployed of the country. This might be because of the attitude of graduating students of the TVET College towards starting and running their own business is very weak or low. However, graduate students' attitude towards entrepreneurship in TVET College has not been adequately studied in the region even in Ethiopia. As far as the knowledge of the researcher is concerned, there is almost no such a study was conducted on TVET graduate students' attitude towards entrepreneurship in the other urban centers of Ethiopia. Therefore, this study is expected to serve as a bridge in filling the knowledge gap by assessing the attitude of both business and vocational graduates towards entrepreneurship, assess external factors to start own business in Mekelle technical vocational educational and training (TVET) college and it will also help to evaluate the attitude of graduates towards entrepreneurship.

Research Questions:

- ✓ What personality traits influence the attitudes of graduating students towards self-employment?
- ✓ Is there an attitude difference that exists between business and technology students towards entrepreneurship in Mekelle TVET College?
- ✓ Do college graduating students consider self-employment as a career option?

Objective of the Study:

General Objective:

The main objective of this research is to assess the attitude of TVET graduating students towards self-employment.

Specific Objectives:

- ✓ To examine the effect of personality trait (need of achievement, internal locus of control, risk taking, independent and monetary value) on students entrepreneurial attitude.
- ✓ To compare the entrepreneurial attitude between business and technology students in Mekelle TVET college.
- ✓ To assess TVET graduating students interest for considering self employment as a career option.

Scope and Limitation of the Study:

The scope of the study will be delimited to assess the entrepreneurial attitudes of graduating students in Mekelle poly Technique College. It stands to measure attitude of graduating students towards entrepreneurship based on personality traits. The personality traits namely, achievement need, internal locus of control, competitiveness, autonomy, and monetary value geographically, the study will be conducted in Tigray region, Mekelle city particularly in Mekelle poly Technique College. The target population of the research will be the graduating students in Mekelle poly Technique College in the year 2013. In this study cross-sectional research design will be used. To address the objective of the study, the samples of this study will be selected by using both probability and non probability sampling. From probability similarly, purposive sampling technique will be preferred among non- probability sampling techniques. Moreover, the researcher has not obtained well documented secondary data from different offices that indicate the number of graduate entrepreneurs and graduate students' unemployment rate, magnitude and trend in Mekelle city.

Research Methodology:

Primary sources can be described as a first hand data or direct facts concerning a topic under investigation. The major instruments to be used are survey and other technique including questionnaire will be applied. The primary data of this research will be collected through self-administered questionnaire from the respondents. Secondary data will be collected from source of information like thesis, various books, journals, articles, periodicals, publications, and official data. In this study, only cross-sectional survey design will be used. This is due to the fact that because of the data will be collected at one point of time and different variables will be examined at a single point of time. Hence, cross sectional research design is appropriate for this kind of study.

In conducting this research, mixed research methods (qualitative and quantitative) will be employed. The target population of the study was the prospective graduate students (trainees) of the TVET institution in the year 2013. The sample size generally depends on the total number of population, the level of confidence and the maximum deviation from true population that can be tolerated in the study. As a strategy of meeting the objective of the study, probability sampling methods namely proportional stratified random sampling and systematic sampling methods will be used in selecting respondents for questionnaires and non- probability sampling methods, namely purposive sampling methods will be used in selecting respondents

Literature Review:

Entrepreneurship is defining as the process of creating something new with value by devoting the necessary time and effort, considering the needed finance, social risks, and receiving the resulting rewards to psychological, monetary and personal satisfaction in addition to that it create independence (Hisrich, Peter, & Shepherd, 2007). In addition to this, most research have shown there is a positive relationship between

entrepreneurship and economic growth that help to reduce unemployment by create a new job, survival and technological change for one organization (Gorman, Hanlon et al. 1997). The attitude towards entrepreneurship is an individual's perception about entrepreneurship, opinion and preference towards entrepreneurial activities or self-employment. People's attitudes towards entrepreneurs can reflect how desirable they find the prospect of becoming an entrepreneur themselves as a future career choice (Kolvereid, 1996, Guerrero et al., 2008).

Attitude has been defined as an individual feeling or evaluative reaction towards an idea, object or situation it reflects how positive or negative, favorable or unfavorable a person feels towards that particular Idea, object In addition, Fishbein and Ajzen (1975) defined attitude as a beginner preference to respond in a consistently favorable or unfavorable manner with respect to a given object. Attitude is an important determinant for individual's decision to force entrepreneurship endeavor or individuals to be self employed. They are many factors that influence entrepreneurs in starting their own business. This research focuses on the individual's personal traits and external factors. These are the most important variables that influence the attitude of college and university graduating students towards entrepreneurship.

Empirical Study:

According to Kuratko (2005), in the United States of America one-third of new entrepreneurs are younger than age 30, with more than 60 percent of 18 to 29 years old, majority of the educated people want to run their own businesses. Despite these encouraging numbers majority of graduating students does not use entrepreneurship as a career option. Dell McStay (2002) stated that many students do not consider entrepreneurship as a career and only very few will start their own Business immediately after graduation.

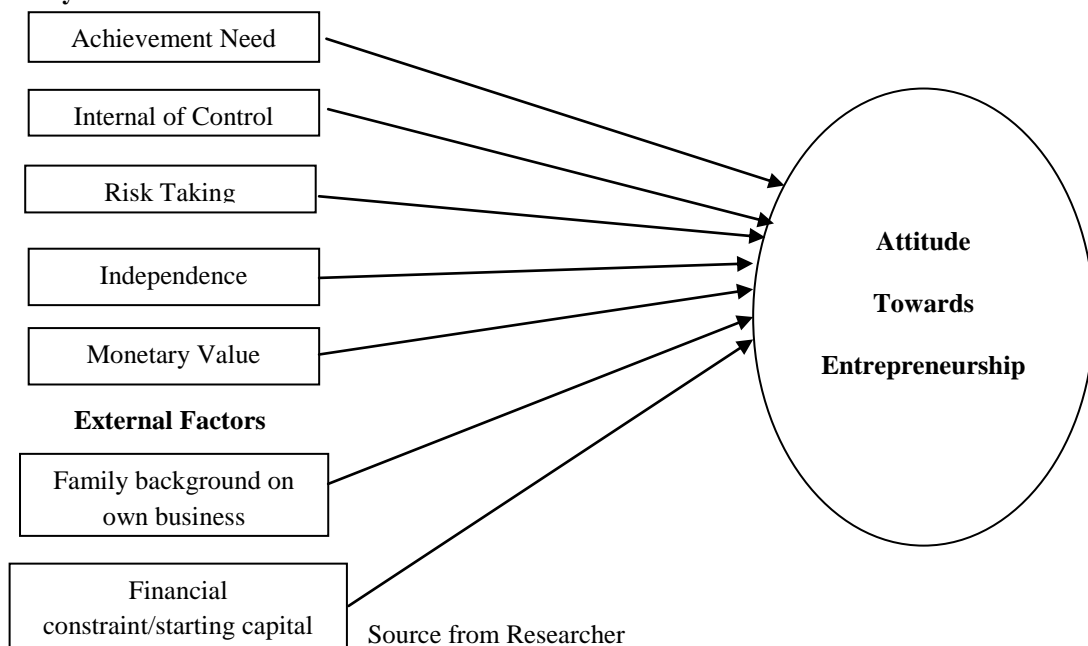
Theoretical and Conceptual Framework:

According to the Planned Behavior Theory model, attitude is defined as an individual's feelings toward his own behavior and partially regulates and measures the desire of individual behavior towards something and a person feels towards a particular ideas and situation (Ajzen 1991). Past studies has shown that attitude impacts the expression of specific behaviors and depends on the individual's positive or negative thinking regarding to make and understand something and it expresses the estimations of personal behaviors (Kruger and Carsrud 1993).

Robinson et al. (1991) developed the entrepreneurial attitude orientation (EAO) model to predict entrepreneurial activity .the subscales of the EAO measure individuals' attitudes in to four constructs: achievement in business, innovation in business, perceived personal control of business outcomes and perceived self-esteem in business. This study will be use both personality traits and external factors to identify the entrepreneurial attitude of graduating students. These factors will be determining an individual's attitude of graduating students in the entrepreneurial start up decisions.

Conceptual Framework:

Personality Traits:



Data Analysis and Presentation:

When we compare by the means of the two faculty students, technology students have better entrepreneurial attitude towards starting their own business, they show high value in need for achievement, internal locus of control, in seeking independence ,risk taking and monetary value as compared business students. This indicates that technology students have better entrepreneurial attitude towards starting their own

business after graduating than business students. This may be due to the fact that the knowledge and skill of technology students have motivated to them to be an entrepreneur. In addition to the individual level of constructs for entrepreneurial attitude when we see the chi-square test of the P-value of all attitude components is less than 0.05. This implies that these personality traits are significant for technology and business students for starting their own business. Thus, there exist significant differences between technology and business students with regard to their attitude towards entrepreneurship.

Personality Traits:

Personality trait is an important to know graduating students’ attitude towards starting their own business. Accordingly, to determine whether respondents possess each personality trait components or not, the mean score of Norasmah (2002) was applied in this study.

Table: Graduating students’ personality trait towards entrepreneurship.

	N	Mean	Std Deviation	Level
Achievement motivation	122	4.096	0.9820	High
Internal locus of control	122	4.217	0.9045	High
Independent	122	3.9786	0.9752	Moderately high
Risk taking	122	3.8241	0.9843	Moderately low
Monetary value	122	4.358	0.9120	High
Overall Attitude Profile	122	4.064	0.9282	High

Source: Field survey, 2013.

As presented in Table 4.1, almost all the respondents had a high attitude profile level. As we have observed in Table 4.1, the value of the mean is ranged from 3.826 to 4.358 with a mean value of 4.064. The high level of each of these components may result in a high overall attitude profile towards entrepreneurship among the graduating students.

According to the result that is indicated table 4.1, the independent and risk taking result implied that students’ have moderately high attitude in self employment. This study indicates that graduating students have high attitude to take risk and consider self employment as a career option. From this one can suggested that students have a good attitude to be a business man after graduation. This idea is in line with Doudlas’s and shepherd’s views of (2002). They stated that a more positive attitude towards risk and independence leads to strong entrepreneurial intention. Similarly, Cantillion (1775) also stated that the main factor in differentiating the entrepreneur from employed workers was the uncertainty and risk taken by the former. Respondents show high interest to take risk and the need of autonomy it indicates graduating students have interest to consider entrepreneurship as a career option.

In the other hand the study showed that respondents have high level of achievement motivation, internal locus of control and monetary value. In addition to that graduating students show high interest to run their own business rather than waiting for employers. This need for achievement is an important personality trait that is driving force behind human activities and considered as significant to influence entrepreneurial behavior. This idea is supported by McClelland (1961) shows that need for achievement is a strong entrepreneurial trait. Similarly, Gasse (1985) found that entrepreneurs often possess a greater internal locus of control than the general population. This may indicate that the probability that graduates will engage in entrepreneurial activities is high.

Hence, it can be noted that all attitude components are basic personality traits to have positive entrepreneurial attitude. And the researcher has found that graduate students of the TVET institution are found at a good vision to run their own business in the near future.

Table: Graduating student inclination towards choosing self employment as a career option

Inclination towards choosing self employment	N	Mean	Std Deviation	Level
Starting own business after graduation is the right choice	122	4.33	0.898	High
Do you have interest to start own business in six months after graduation	122	4.29	0.966	High
Self employment gives more advantages than salaried employed	122	4.48	0.911	High
Among various options , I would rather be an entrepreneur	122	4.30	0.957	High
If I get opportunity and resource, I would like to start own business	122	4.57	0.738	High
Overall perception	122	4.394	0.894	High

Source: Computed from the survey data 2013

Table 4.2 shows that the level of inclination towards entrepreneurship among graduating students was high for every statement. This finding is represented by the mean value of each item, which ranged from 4.29 to

4.57. Overall the inclination level was also high with a mean value of 4.394. The majority of graduating students reported a high interest towards choosing entrepreneurship, with mean values ranging from 4.10 to 5.00 presents the students' interest in personally involved in business. Over 91% of the respondents claimed that they would like to start up or own a business.

One Sample Test						
Test value = 0						
	T	Df	Sig (2 Tailed)	Mean Difference	95% Confidence Interval	
					Lower	Upper
Mean value of need for achievement	44.78	121	.000	4.05	3.87	4.26

Hypothesis 1 states TVET graduating students with a higher need for achievement have no significant positive influence on the students' entrepreneurial attitude. This hypothesis has already tested using the average mean of students' score in entrepreneurial achievement. The interpretation of the statement is analyzed by comparing the statistical test statistics (calculated t-value) with the critical t-value (given table value) at 5% significance level.

As shown in the above table zero (0) is used as a test value because any point above zero is believed to generate strong attitude towards starting own business. As presented in the table the p value 0.000. Since the probability error (P), $P < 0.05$ this finding leads the researcher to reject the null hypothesis. Therefore, the researcher has found that graduate students of the TVET institution are found at a good vision to run their own business in the near future after the end of their study. That means having positive need for achievement associated with entrepreneurial attitude of students to start new business.

To test the hypotheses, multiple regression analysis was used. The results of multiple regression analysis of five independent variables against one dependent variable can be seen in the next tables.

Table: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.931 ^a	.866	.860	.85590

a. Predictors: (Constant), monetary value, locus of control, risk taking, independent or autonomy, achvt

According to the model summary table 4.3 above the adjusted R square value of 0.866 indicates that about 86.6% variations in attitude towards entrepreneurship explained by the independent variables. In other words 86.6% of the attitude towards entrepreneurship is affected by the set of independent variables (need for achievement, Internal locus of control, independent, risk taking and monetary value) while the remaining 13.4% is influenced by other factors that are not explained in the model.

Table: ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	550.202	5	110.040	150.212	.000 ^a
	Residual	84.978	116	.733		
	Total	635.180	121			

a. Predictors: (Constant), monetary value, locus of control, risk taking, independent or autonomy, achvt
 b. Dependent Variable: attitude towards entrepreneurship

In addition to this the finding of ANOVA depicted in table 4.4 that the independent variables as a whole have significant relationship with attitude towards entrepreneurship ($p < 0.05$). Thus hypothesis has been accepted which means that need for achievement, Internal locus of control, independent, risk taking and monetary value together significantly explain in the attitude towards entrepreneurship. The result is supported by the significant correlation among the variables and the coefficients for all independent variables with attitude towards entrepreneurship is R square (0.866) and adjusted R square (0.860).

Table: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
1	(Constant)	-12.199	1.081		-11.286	.000		
	Achvt	.466	.050	.593	9.236	.000	.280	3.568
	locus of control	.166	.046	.191	3.602	.000	.409	2.445
	independent	.183	.072	.148	2.553	.012	.341	2.934

	risk taking	.101	.047	.081	2.142	.034	.805	1.242
	monetary value	.083	.041	.074	2.026	.045	.856	1.168
a. Dependent Variable: attitude towards entrepreneurship								

Based on data found in Table 4.5 As coefficients table of the regression presents that among the independent variables which has most significant influence on entrepreneurial attitude. It can be interpreted that all variables have an effect on attitude towards entrepreneurship. Because the calculated sig. value of those variables are less than the sig. value 0.05. All variables are significant factors for the attitude to start own business that means Need for achievement, Internal locus of control, risk taking, monetary value, family background on own business and capital starting for own business are significant factors that should be fulfilled to start own business .

As the standardized beta value show need for achievement is the strongest predictor of attitude to start own business with the β value of 0.593. it has high effect on attitude towards starting own business i.e,100% change in need for achievement leads 59.3% change in attitude towards self employment. This result is consistent with the finding of (McClelland, 1961; Robinson et al). The correlation among the variables was statistically significant at 5% level of significance.

Recommendations:

Personality traits which are the determinants of attitude to start own business. Improving personality traits will improve the attitude of graduating students to start their own business. Positive attitude is very important for students towards self employment. Government and concerned bodies should use different strategies to create a very positive strong attitude towards starting own business, the researcher believe that use different motivation, training and awareness will be one of the very effective mechanisms to improve their attitude towards self employment. Families, parents and relatives will change their attitude towards entrepreneurship as well and encourage their students to engage in the self employment activities, students should be use self employment as a career option. In addition to this, government should encourage the student entrepreneurs by providing work place, training, subsidies tax and others.

Technology students have better entrepreneurial attitude than business students towards starting their own business. They show high value in need for achievement, internal locus of control, in seeking independence, risk taking and monetary value as compared business students. This indicates technology students have positive entrepreneurial attitude to be self employed.

Availability of starting capital is very important for students to start their own business. Lack of enough capital mentioned by respondents to start their own business. Majority of the students did not have starting capital and they believe that getting funding from different sources is difficult. This finding show having positive attitude alone not enough to start own business rather it should be support by capital and training. The government has allowed students to gets access loans from MFI. The government and MFIs should encourage students to take loans in group and providing students with continuous awareness raising programs.

References:

1. Adtayo, D (2007), "Factors Influencing Attitude of the Youth Towards Entrepreneurship program. Department of Management & Accounting Obafemi Awolowo University Osun State.
2. Ajzen. (1991). Attitudes Traits and Actions: Dispositional Prediction of Behaviour.
3. Akpomi, M. E. (2009).Entrepreneurship Among Graduates-to-be of Business Management Faculties and Economic. European Journal of Economics, Finance and Administrative Sciences, Vol.1.
4. Cantillion, R. (1755) Essai sur la Nature du Commerce en General, Alderich (2001), H. Higgs (ed.), (1931) Macmillan, London.
5. Carsrud, A. L. and Brannback, M. (2009). Understanding the Entrepreneurial Mind Opening the Black Box. Spring Dordrecht Heidelberg, London.
6. Dell MC Stay. (2002). An Investigation of Undergraduate Student Self-employment Intention and the Impact of Entrepreneurship Education and Previous Entrepreneurial Experience.
7. Douglas, E.J and Shepherd, D.A.(2002).Self employment as a Career Choice. Attitudes, Entrepreneurial Intentions, and Utility Maximization. Entrepreneurship Theory and Practice.
8. Eisenhauer, J. G (1995). The Entrepreneurial Decision Economic Theory and Empirical Evidence, Entrepreneurship theory and practice summer. Journal of International Business Studies.
9. European Commission, (2003). Entrepreneurship in Europe, Final European Commission, Burussels.
10. Fishbein, M. & Ajzen, I. (1975). Belief, Attitude, Intention and Behavior: An Introduction to theory and research. London: Addison-Wesley.
11. Gasse, Y (1985). A strategy for the promotion and identification of potential entrepreneurs at the secondary school level.
12. Gorman, G., D. Hanlon, et al. (1997). Some research perspectives on entrepreneurship education, enterprise education and education for small business management.

13. Guerrero, M.; Rialp, J. & Urbano, D. (2008). The impact of desirability and feasibility on entrepreneurial intentions: A structural equation model. *The International Entrepreneurship and Management Journal* Vol.4, No.1.
14. Hisrich, D.R., Peters, P.M and Shapherd, A.D, (2007). *Entrepreneurship Theory and Practice*.
15. RCLEP, (2008). High Level Commission on the Legal Empowerment of the Poor, Addis Ababa, Nov. 11, 2006.
16. Kolvereid, L. (1996). Prediction of Employment Status Choice Intentions, *Entrepreneurship: Theory and Practice*, Vol.21, No.1.
17. Krueger, N., Reilly, M., and Carsrud, A. (1993). Competing Models of Entrepreneurial Attitude.
18. Kuratko, D. (2005). The Emergence of Entrepreneurship Education: Development, trends, and challenges, *Entrepreneurship Theory and Practice*, September 2010.
19. McClelland, D. C. (1961). *The achieving Society*. New York: The Free Press.
20. Norasmah Hj Othman. (2004). Bidang Keusahawanan: Satu alternatif Bagi Mahasiswa. Dlm.
21. Robinson, P.B., Stimpson, D.V., Huefner, J.C., Hunt, H.K. (1991). An Attitude Approach to the Prediction of Entrepreneurship. *Entrepreneurship: Theory & Practice*, Vol. 15 No.4.
22. Spieker. M (1989) . Gewinn and Germeinwohl-Zum ethos unternehmers. In entrepreneurial intention.