

**FACTORS CONTRIBUTING TO ENTREPRENEURSHIP INTENTION OF
GRADUATE STUDENTS: THE CASE STUDY OF PRIVATE HIGHER
EDUCATION INSTITUTION IN ASELLA TOWN**



**COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT**

**A RESEARCH THESIS OF MASTERS OF BUSINESS ADMINISTRATION
(MBA)**

**BY
KIBEROM MEHARI**

ARSI UNIVERSITY, ETHIOPIA

MAY, 2018

Arsi University



Master of Business Administration Program

**Factors Contributing to Entrepreneurship Intention of Graduate Students: The Case
Study of Private Higher Education Institution in Asella Town**

**A thesis submitted to Department of Management, College of Business and Economics in
partial fulfillment of the requirements of for a degree of Master of Business Administration**

By: Kiberom Mehari Kidane

Advisor Name: Bekele Reta (Asist. Professor)

Arsi University, Ethiopia

May, 2018

College of Business and Economics
Department of Management

This is to certify that the thesis prepared by KiberomMehariKidane, entitled: Factors contributing to Entrepreneurship Intention on Graduate Students and submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration meets regulations of the University and the accepted standards.

Approval Board of Examiners

_____	_____	_____
Chair person, Department	Signature	Date
	Examining Committee	
_____	_____	_____
Major Advisor	Signature	Date
_____	_____	_____
Co Advisor	Signature	Date
_____	_____	_____
External Examiner	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date

Declaration

I, kiberommeharikidane declare that this thesis entitled: “*factors contributing to Entrepreneurship Intention on Graduate Students*” is outcome of my own effort and study and that all sources of materials used for the study have been duly acknowledged. To the best of my knowledge, this study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of Masters of Business Administration.

By: kiberommeharikidane

Signature_____

CERTIFICATION

This is to certify that thesis entitled, “factors contributing to Entrepreneurship Intention on Graduate Students”, undertaken by kiberommeharikidane for the partial fulfillment of degree of Master of Business Administration at Arsi University, to the best of my knowledge, is an original work and not submitted earlier for any degree either at this University or any other University.

Major Advisor _____

Signature _____

Date _____

Co-Advisor _____

Signature _____

Date _____

ACKNOWLEDGEMENT

Above all, I would like to thank God for being with me in every step of my activities with this work and gave me the strength to complete my courses and the thesis work in time. I am very glad to express my sincere gratitude and appreciation to my research advisor Bekele Reta for his tireless assistance, invaluable and constructive criticisms, suggestions and professional advice, and dedication of his precious time in reading and correcting this paper starting from the beginning. Had it not been for his indispensable comments, this research would have not been realized. Furthermore, I also appreciate all the respondents who spend their precious time and patience in helping me to filling up the questionnaire.

Finally, I would like to thank my beloved family wedituthegaye and atotesfayegirma and my sister thegamehari and friends who are supporting me throughout my study life.

TABLE OF CONTENTS

ACKNOWLEDGEMENT	vi
TABLE OF CONTENTS	vii
LIST OF TABLES	xi
ACRONYMS	xii
LIST OF APPENDICES	xiii
PREFACE	xiv
ABSTRACT	xv
1. INTRODUCTION	1
1.1. Background of the study	1
1.2. Statement of the problem	3
1.3. Hypotheses of the study	5
1.4. Objectives of the study	6
1.4.1. General objective	6
1.4.2. Specific objectives	6
1.5. Research questions	6
1.6. Significance of the study	6
1.7. Scope of the study	7
1.8. Limitation of the study	7
1.9. Organization of the study	8
2. REVIEW OF RELATED LITERATURE	9
2.1. Entrepreneurship	9
2.2. Theory of Planned Behavior	10
2.3. Theory of Entrepreneurial event	11
2.4. Entrepreneurial Intention	12

2.5. Perspective of Intention -----	12
2.5.1. Formation of Intention-----	12
2.5.2. Development of Entrepreneurial Intention through Education -----	13
2.6. Empirical studies on Entrepreneurial Intention among University students -----	14
2.7. Link between Entrepreneurial Intention and Entrepreneurship-----	15
2.8. Demographical Factors and Entrepreneurial Intention -----	16
2.8.1. Gender Differences and Entrepreneurial Intention -----	16
2.8.2. Family background and Entrepreneurial Intention -----	18
2.9. Environmental Factors and Entrepreneurial Intention -----	19
2.9.1. Entrepreneurship Education -----	19
2.9.2. Perceived Access to Finance -----	20
2.9.3. Perceived Government policy -----	20
2.9.4. Social norm -----	21
2.10. Proposed Theoretical Framework -----	21
3. RESEARCH METHODOLOGY-----	23
3.1. Introduction -----	23
3.2. Description of Study Area -----	23
3.3. Research Design and Strategy -----	23
3.4. Data Types and Sources -----	23
3.4.1 Primary Data-----	23
3.4.2. Secondary Data -----	24
3.5. Instruments of Data Collection-----	24
3.5.1. Questionnaire Survey -----	24
3.5.2. Questionnaire Design -----	24
3.5.3. Pilot Test-----	25

3.6. Population, Sampling Technique and Sample Size -----	25
3.6.1. Target Population -----	25
3.6.2. Sampling Technique -----	25
3.6.3. Sample Size -----	26
3.7. Measurement of the Variables-----	27
3.7.1. Dependent Variables and Independent Variables -----	27
3.8. Data Analysis Techniques -----	28
3.8.1. Descriptive Analysis-----	28
3.8.2. Scale Measurement (Reliability Test)-----	28
3.8.3. Explanatory Analysis -----	28
3.8.3.1. Independent Sample T-test-----	28
3.8.3.2. Pearson Correlation Analysis -----	29
4. RESULT ANALYSIS AND DISCUSSION -----	30
4.1. Introduction -----	30
Response rate-----	30
Reliability Test -----	30
4.2. Personal Details of Respondents -----	30
4.3 Descriptive analysis-----	32
4.3.1. Students' Interest in Starting or Owning a Business -----	32
4.3.2. Reasons or Motivations for Starting up a Business -----	33
4.3.3. Inhibitors to Starting up a Business for students-----	36
4.3.4. Entrepreneurial Intention of the Respondents-----	38
4.3.4.1. Students' Entrepreneurial Intention by Gender -----	39
4.3.4.2. Students' Entrepreneurial Intention by Family background -----	39
4.3.4.3. Students' Entrepreneurial Intention by Entrepreneurship education -----	40

4.3.5. Mean Analysis of Entrepreneurship education, Perceived Access to finance, Perceived Government policy and Social norm-----	40
4.3.5.1. Entrepreneurship Education -----	40
4.3.5.2. Perceived Access to Finance -----	41
4.3.5.3. Perceived Government Policy-----	42
4.3.5.4. Social norm -----	42
4.4. Explanatory Analysis -----	43
4.4.1. Testing differences between groups/Independent T-test/-----	43
4.4.1.1. Independent T-test based on Gender of the Respondents -----	43
4.4.1.2. Independent T-test based on Family background of the Respondents -----	45
4.4.1.3. Independent T-test based on Entrepreneurship education of the Respondents----	46
4.4.2. Pearson Correlation Coefficient and multiple linear regression Analysis -----	47
4.4.2.1. Correlation between Entrepreneurship education and Entrepreneurial intention -	47
4.4.2.2. Correlation between Perceived Access to Finance and Entrepreneurial Intention	48
4.4.2.3. Correlation between Perceived Government policy and Entrepreneurial Intention -----	49
4.4.2.4. Correlation between Social norm and Entrepreneurial Intention-----	50
4.4.3. Multiple regression between Entrepreneurial Intention and all main dimension variables-----	51
5. CONCLUSIONS AND RECOMMENDATIONS -----	52
5.1. Conclusions -----	52
5.2. Recommendations-----	54
REFERENCES -----	56
APPENDICES -----	61

LIST OF TABLES

Table 1: Number of Graduate Students with their Department in 2010-----	27
Table 2: Rule of Thumb for Cronbach's Alpha Coefficient Value-----	28
Table 3: Rule of Thumb about Correlation Coefficient Size -----	29
Table 4: Summary of Reliability Statistics-----	30
Table 5: Personal Details of Respondents by Gender-----	31
Table 6: Personal Details of Respondents by Age group -----	31
Table 7: Personal Details of Respondents by taken any Entrepreneurship course -----	32
Table 8: Personal Details of Respondents by Family background -----	32
Table 9: Students' Interest in Starting or Owning a Business-----	33
Table 10: Reasons or Motivations for Starting up a Business-----	34
Table 11: Inhibitors to Starting up a Business for students-----	36
Table 12: Mean Score of Entrepreneurial intention of the Respondents -----	39
Table 13: Students' Entrepreneurial Intention by Gender -----	39
Table 14: Students' Entrepreneurial Intention by Family background -----	40
Table 15: Students' Entrepreneurial intention by Entrepreneurship education -----	40
Table 16: Mean Score of Entrepreneurship education-----	41
Table 17: Mean Score of Perceived Access to Finance -----	41
Table 18: Mean Score of Perceived Government Policy-----	42
Table 19: Mean Score of Social norm -----	42
Table 20: T-test Result (Gender Difference and Entrepreneurial Intention) -----	43
Table 21: T-test Result (Family background and Entrepreneurial Intention) -----	45
Table 22: T-test Result (Entrepreneurship education and Entrepreneurial Intention) -----	46
Table 23: Correlation between Entrepreneurship education and Entrepreneurial Intention-----	47
Table 24: Correlation between perceived Access to Finance and Entrepreneurial Intention -----	48
Table 25: Correlation between Perceived government policy and Entrepreneurial Intention -----	49
Table 26: Correlation between Social norm and Entrepreneurial Intention -----	50
Table 27: Multiple regression between Entrepreneurial Intention and Entrepreneurship education, perceived access to finance, perceived gov't police and social norm -----	51

ACRONYMS

EE	Entrepreneurship Education
EI	Entrepreneurial Intention
GUESSS	Global University Entrepreneurial Spirit Students' Survey
PAF	Perceived Access to Finance
PASDEP	Plan for Accelerated and Sustained Development to Eliminate Absolute Poverty
PGP	Perceived Government Policy
SN	Social Norm
SPSS	Statistical Package for Social Science
TEE	Theory of Entrepreneurial Event
TPB	Theory of Planned Behavior
PHEI	Private Higher education institution

LIST OF APPENDICES

Appendix A	Questionnaire
------------	---------------

PREFACE

Entrepreneurship has becoming an important issue in recent years due to its contribution to national economy development and society at large. Decisions to be entrepreneurs are determined by certain factors and it is a planned behavior instead of engaging it accidentally. Thus, underlying factors that influence students' intention towards entrepreneurial career are vital.

In general, entrepreneurial intention is defined as a state of mind that leading an individual's attention and action toward the endorsement of entrepreneurial behavior, building new business concept and undertaking in entrepreneurial career. It is important for private higher education institution students to know that entrepreneurship is an available career option for them and understand their interest and intention towards entrepreneurial career.

Therefore, this study seeks to investigate the impact of Gender, Family background, Entrepreneurship education, Perceived access to finance, perceived government policy and Social norm to entrepreneurial intention of students.

ABSTRACT

This study is intended to fill the gap by exploring the intention and of PHEI students in general and specifically to examine how Gender, Family background, Entrepreneurship education, Perceived access to finance, perceived government policy and Social norm affect Entrepreneurial intention of undergraduate students of private higher education institution. Stratified Simple Random sampling technique was used to draw sample from population. The primary data of this study was gathered by distributing 219 survey questionnaires to respondents at private higher education institution. From these sample questionnaires, the responses of 210 respondents were qualified for analysis and analyzed through Descriptive statistics, Independent T-test, Pearson Correlation Coefficient and multiple linear regression Analysis. The results indicated that there are significant and positive relationships between all the independent variables. However, training and skill development programs are necessary to increase the personal capabilities and generate interest and intention among students to have positive attitudes towards entrepreneurship. This paper suggests that there should be continuous effort to promote female entrepreneurship and continuous effort from PHEI to work closely with a variety of business support agencies or other government agencies to raise students' awareness of various avenues of support and programs available to assist them in their business start-ups.

Key words: Entrepreneurial Intention, Interest, private higher education institution students

1. INTRODUCTION

1.1. Background of the study

Entrepreneurship has been considered as a possible solution to address poverty in developing countries. It is a means of coping with unemployment problems by providing new job opportunities, and it is also seen as an engine of economic progress and job creation. It has great contribution to economic development of developing countries. Because of this, most of the developing countries are encouraging their citizens to pursue entrepreneurship Hurry, (2007).

According to Kolvereid (1996), an intention plays a very relevant role in the decision to start a new firm (become an entrepreneur). Intention is a state of mind which motivates individuals to attain some specific goal. In the case of entrepreneurship, the intention to choose entrepreneurship as a career choice is called Entrepreneurial intention. The theory of planned behavior Ajzen, (1991), suggests that entrepreneurial intention is the single best mechanism through which countries gain awareness about the state of entrepreneurship in their countries. It is also a means through which countries evaluate their citizens; whether they are potentially entrepreneur or not. This is because of the fact that an entrepreneurial intention is a single best predictor of entrepreneurship Krueger, Reilly and Carsrud,(2000).Due to this, many countries of the world were organized under one umbrella of Global University Entrepreneurial Spirit Students' Survey (GUESSS) to get the status of their students' entrepreneurial intention, and to identify hurdles and pitfalls when pursuing an entrepreneurial career, and also based on the survey result; to take appropriate policy measures that will stimulate entrepreneurship in their country Sieger, Fueglistaller and Zellwager, (2011).

It is known that Ethiopia has been working to join countries of middle-income economy in the coming decades. In this process, the problem of young unemployment is gaining series attention as the country is home to one of the largest young populations in sub-Saharan Africa (Guarcello et al.,2008).Thus, the government of Ethiopia gives due emphasis to employment creation by formulating different policies and strategies. One of these strategies is to promote entrepreneurship. In this sense, entrepreneurship is seen as one of the mechanisms of solving unemployment problems.

The plan for accelerated and sustained development to eliminate absolute poverty from Ethiopia (PASDEP) considers self-employment as possible solution of unemployment among youth. Actually, self-employment is the dominant type of employment in the country that employed majority of the labor forces in the country. Despite it composes highest portion of total employment, most Self-employed individuals are illiterate. Self-employed individuals come from the least educated segment of the labor that is unlike to get wage offers that would make employment an option, and smaller proportion of the highest educated individuals are moving into self-employment (Haile ,2005). The public and private sector employment are considered as “Good jobs” while self-employment is considered as “Bad jobs” (Serneels, 2007).This show that highly educated workforce of the country prefers an organizational employment than self-employment. In contrast to this, the government employment policy considers self-employment as viable employment option for university students. To realize entrepreneurship as viable employment option for university students, the intention of those students who are too dependent on government and private sectors for employment should be changed.

According to the report of European commission in 2003 the publication of the green paper on entrepreneurship in Europe raised an important question regarding to this subject. How to improve people’s inclination towards developing new entrepreneurial initiatives? Approaching entrepreneurship as an attitude, it is not only eliminations of the barriers that obstruct business development and growth but also to encourage more people to become entrepreneurs and prepare for it. This can be done by inculcating entrepreneurship values and changing the mind set as to view self-employment as one of the viable alternative of employment. This implies that intention has the power to affect the birth of entrepreneurship. Entrepreneurial intention precedes entrepreneurship (Ajzen, 1991). An individual who has high entrepreneurial intention will become an entrepreneur in due time.

Entrepreneurship is an embedded process in a social, cultural and economic context; hence individuals do take the environment into account in their decision making process (Schwarz et.al, 2009).The environmental factors such as social, economic, political and demographic can influence the intention to establish self-owned businesses (Mazzarol et.al, 1999). The perceived environment can affect the decision or willingness of the individual to become an entrepreneur. Accordingly, the perceived barriers from the environment can negatively affect the entrepreneurial intention while the perceived supportive environment can positively affect the

entrepreneurial intention. So that, the educators and policy makers should have to know the perceived environmental factors that could affect the entrepreneurial intention of the students to foster entrepreneurial intention among the students.

Although several studies were conducted relating to entrepreneurial intention and its determinants in many countries, as far as the researcher was reviewed, no more similar study was conducted in our country.

So that in order to fill this gap, sample of PHEI students in Oromia region investigated. Entrepreneurial intention is said to be an emerging business phenomena so that understanding this intention will help to know whether the students are potential entrepreneurs or not.

1.2. Statement of the problem

The number of graduate students graduating from Public and Private Higher Education institutions in Ethiopia is increasing from time to time, and the trend will continue as per the vision of higher education institutions of the country. This number is also swelling with the expansion of new universities and development of intake capacity of the older universities in the country. In due time, educated human resource supply would be in excess of demand of the public and private organizations. Undoubtedly, this would result in unemployment problem among students unless they seriously consider self-employment as their career option. Therefore, entrepreneurship is the promising career option for students.

According to (Dawit, 1999), the history of entrepreneurship in Ethiopia as the possible option of employment is seriously affected in the past. In the feudal era, entrepreneurship was considered as undesired profession; educated people used to aspire for government jobs which were the source of income, pride and security. Entrepreneurship was considered as a blue collar job, which meant for people with low social profile. The attitude towards blue collar jobs was negative. For instance; People engage in craft like black smith, pottery, welding and similar ones were among the despised ones in the society. The Socialist era was also not favorable to entrepreneurship development. The government policy discouraged the development of enterprising work. The nationalization, capital fixation and procedural licensing were among the problems that were affected enterprise development during that time.

During the feudal and socialist era, undergraduates' students those were graduated from higher education institutions in Ethiopia were fully employed in government and private organizations. Therefore; Entrepreneurship was the neglected employment option during those times.

Today, entrepreneurship is considered as a viable employment option for university students. The education policy of Ethiopia aims at equipping students with the necessary skill and knowledge that would help them to become an entrepreneur in the future. Basically, the end goal of educating citizens is not only to become an employee in private and public organization but also to become an entrepreneur by using knowledge and skill acquired through education.

However, according to the theory of planned behavior (TPB), equipping students with necessary knowledge and skill would not be a guarantee for the students to become an entrepreneur in the future. According to this theory, being an entrepreneur is not a matter of accident rather it is a result of consciously planned behavior (Ajzen, 1991). It means that intentions precede action/behavior. Entrepreneurial intention is an initial step for decision to create a new business. Therefore, Students should have to have an entrepreneurial intention to become an entrepreneur in the future.

According to the study by (Haile, 2005), self-employment category of the labor market is the less preferred labor market among highly trained human resources of Ethiopia. This indicates that more self-employment awareness is needed among students from both educators and policy makers to bring out more entrepreneurs. However, to do this, it is unknown whether environmental factors and demographic factors contribute to student's intention to become entrepreneur. Therefore, in order to design an effective program, and foster entrepreneurial intention among students, the policy makers and educators should have to know the level of students' entrepreneurial intention, and the factors that may affect entrepreneurial intention among the students.

Many studies on college students' intention to become entrepreneurs have been conducted. (Wang and Wong (2004), studied on university students in Singapore, found that students from business parents have greater interest in entrepreneurship than none business parent students. According to (Crant (1996), the gender, educational level and parents who own business contribute towards influencing entrepreneurial intention. Crant's study on university students in

the US (1996) indicated that male students exhibit significantly higher entrepreneurial intention as compared to female students.(Clark et al., (1984), surveyed on the students participated in introductory entrepreneurship course and found that, by the end of the course, 80% of the students are intend to start their own business and from which 76% students are speak out that attending the course had strong influence on their decision to enter the entrepreneurial career. Hence, previous studies have shown variables that might affect entrepreneurial intention. The area of this study covers demographic and environmental factors and how these influence the intentions of students to become entrepreneurs.

Therefore, this study aimed to provide useful information on entrepreneurial intention of PHEI students, and to identify the demographic and environmental factors that might influence the entrepreneurial intention of the students.

1.3. Hypotheses of the study

This research has the following hypotheses.

Hypothesis 1

H₁: There is significant difference in entrepreneurial intention between male and female PHEI students.

Hypothesis 2

H₁: There is significant difference in entrepreneurial intention between PHEI students of business family background and non-business family background.

Hypothesis 3

H₁: There is significant relationship between entrepreneurship education and entrepreneurial intention of the PHEI students.

Hypothesis 4

H₁: There is significant relationship between perceived Access to finance and entrepreneurial intention of the PHEI students.

Hypothesis 5

H₁: There is significant relationship between Perceived Government policy and entrepreneurial intention of the PHEI students.

Hypothesis 6

H₁: There is significant relationship between Social normand entrepreneurial intention of the PHEI students.

1.4. Objectives of the study

The objectives of the study are explained under its general and specific details as follows.

1.4.1. General objective

- The study was carried out with the general objective of investigating the intentions of graduate students towards entrepreneurship and entrepreneurial thinking in the case of private higher education institution.

1.4.2. Specific objectives

Based on the general objective of the study, the specific objectives of the study were:

- To identify the relationship between entrepreneurship education, access to finance, government policy and social norm with entrepreneurial intention.
- To identify the factors that motivates students in starting and running their own business after graduation.
- To identify the constraints those impede young people from starting and running their own businesses.

1.5. Research questions

The researcher was answered the following research questions

- 1- How does demographic and environmental factors contributing to entrepreneurial intention?
- 2- Is there a relationship between entrepreneurship education, access to finance, government policy and social norm with entrepreneurial intention or not? And how degree relationship between dependent and independent variables?

1.6. Significance of the study

This research was believed to have the following significances for parties who have direct or indirect interest on it. This study is significant for the undergraduates on their future career path. By identifying their strengths and weaknesses as well as their intention, it provides a better choice for their career development. This study hopefully can give some indication on what are the suitable entrepreneurial courses, programs and training that would promote the graduates' interest to start up their own businesses. This study has valuable implications for young graduates and other youngsters to indicate that they have alternatives to create their own destiny

by starting their own business and they need not keep waiting to get job. This research will provide insights to the state of entrepreneurship education for policy makers in Ethiopia to inspire entrepreneurial intention, in turn, increasing new business venturing rate.

This study can help policy makers to make policies that favor entrepreneurship and develop entrepreneurship oriented society. The findings of the study can recommend policy makers to motivate the Ethiopian youth to consider starting their own business after completing their education. Lastly, this research can serve as potential reference for those individuals who want to conduct further studies on the same or related areas.

1.7 Scope of the study

The study was covered the factors contributing to entrepreneurial intentions towards self-employment among the students leaving secondary schools, rural youths, all university students, graduates, university dropouts, etc. However, this study concentrates on only students currently graduate their studies in higher education. Geographically, this study is confined to private higher education institution in oromia region Assela city administration only; due to time and financial constraints the researcher restricts the target population to be only regular and extension graduate students at Rift valley University, Chilalo health science and technology college and Robot medical college in 2010E.C and also considers questionnaire as the only instruments of data collection.

1.8. Limitation of the study

There are a few limitations being discovered during the process of conducting this research. First, there is only three private higher learning institution including in this study and the sampling location is only in Assela town, private higher education institution. Therefore the research outcomes are unable to represent the opinions of all PHEI students as there are many higher learning institutions situated in Ethiopia. The researcher should expand the sampling location to include higher education institution throughout Ethiopia to obtain research outcomes with high accuracy.

Second, the study focuses on some independent variables. There might be other variables that can determine entrepreneurial intentions of graduate students. Third, Financial limitation has also its own impact in limiting the scope of the project. If had resources been adequate the researcher

would have covered a wider scope than what the project covered. Fourth, the researcher has observed problems on the part of the respondents while filling the questionnaires.

Finally, Insufficiency of time that is provided to conduct this research is also one potential limitation of the study.

1.9. Organization of the study

This research report consists of a total of five chapters.

Chapter one is where the researcher presents an overview of the study and explains the research problem. It contains a brief introduction of the research; mainly background of study, research questions, and objectives of the study, significance of study, scope and Limitation of the study.

Chapter two is where past empirical studies concerning the subject are reviewed. It includes review of the literature, review of relevant theoretical models, proposed theoretical framework, and the development of hypotheses.

Chapter three is where the researcher shares the overview of the study's research methodology. In this chapter, it includes description of study area, research design and strategy, data types and sources, instruments of data collection, population, sampling technique and sample size and data analysis techniques.

Chapter four is where the researcher presents the research results. This chapter includes descriptive analysis, scale measurement, and inferential analysis.

Chapter five is where the final discussions and conclusion of the study was discussed. This chapter includes summary of major findings, conclusions, recommendations and suggestion for future research.

2. REVIEW OF RELATED LITERATURE

This chapter on literature review explains the dependent and independent variables, conceptual framework and hypotheses development.

2.1. Entrepreneurship

Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time and career commitment or provide value for some products or services. The product or service may or may not be new or unique, but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources Gifford, (1992).

In almost all definition of entrepreneurship, we are talking about a kind of behavior that include 1) initiative taking, 2) the organizing and reorganizing of social and economic mechanisms to turn resources and situations to practical account 3) the acceptance of risk or failure. Kirzner, (1979).

To an economist, an entrepreneur is one who brings resources, labour, materials, and other assets into combinations that make their value greater than before, and also one who introduces changes, innovations, and a new order.

To a psychologist, such a person is typically driven by certain forces the needs to obtain or attain something, to experiment, to accomplish, or perhaps to escape the authority of others.

To a businessman, an entrepreneur appears as threat, an aggressive competitor, whereas to another businessman, the same entrepreneur may be an ally, a source of supply, a customer, or someone who creates wealth for others, as well as finds better ways to utilize resources, reduce waste, and produce jobs others are glad to get Giffard,(1992).

Although each of these definitions views entrepreneur from a slightly different perspective, they all contains similar notions, such as newness, organizing, creating, wealth and risk taking. Each definition is somewhat restrictive, since entrepreneurs are found in all professions such as medicine, research, law, architecture, engineering, social work, government sectors etc.

Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence Kirtner, (1979).

According to Kirtner(1979), the above definition stresses four basic aspects of being an entrepreneur regardless of the field.

These are:

- 1) It involves the creation process that is, creating something new of value. The creation has to have value to the entrepreneur and to the audience for which it is developed.
- 2) Entrepreneurship requires the devotion of the necessary time and effort. Only those going through the entrepreneurial process appreciate the significant amount of time and effort it takes to create something new and make it operational.
- 3) Assuming the necessary risk is the third aspect of entrepreneurship. These risks take a variety of forms, depending on the field of effort of the entrepreneur. It usually centers on financial, psychological and social areas.
- 4) The final part of the definition involves the reward of being an entrepreneur. The most important of those rewards is independence, followed by personal satisfaction.

For profit entrepreneurs, money becomes the indicator of the degree of success.

For a person who actually starts his or her own business, the experience is filled with enthusiasm, frustration, anxiety and hard work. There is high failure rate due to such things as poor sales, intense competition, lack of capital, or lack of managerial ability. The financial and emotional risk can also be very high. Then, what causes a person to make this difficult decision? The question would be explored by looking at the intention and decision process of becoming an entrepreneur in the following discussion.

2.2. Theory of Planned Behavior

According to this theory, an intention is a single best predictor of the behavior. Entrepreneurship is best explained from entrepreneurial intention. The theory maintains that there are three explanatory variables of intention. These variables are; Attitude towards the behavior, Perceived behavior control and social norms. Attitude towards the behavior refers to the degree to which the individual holds a positive or negative personal valuation about being entrepreneur. Perceived behavior control refers to the easiness or difficulty in fulfillment of the behavior of interest (becoming entrepreneur). Social norm refers social pressure to carry out or not to carry out that entrepreneurial behavior. Ajzen (1991) stated that behavioral activity such as entrepreneurship is an intentionally planned outcome. So that, by studying perception and how

individuals behave in a particular situation one can easily predict whether the person will eventually take a certain course of action or not. This theory assumes that the new business creation is a deliberate and designed behavior.

2.3. Theory of Entrepreneurial event

According to this theory, firm creation is a result of the interaction among contextual factors, which would act through their influence on the individual perceptions. The consideration of the entrepreneurial option would take place as a consequence of some external change – precipitating event Peterman and Kennedy, (2003) .There are two basic kinds of perception i.e., perceived desirability and Perceived feasibility. Perceived desirability refers to the degree to which he/she feels attraction for a given behavior (to become entrepreneur). Perceived feasibility defined as the degree to which people consider themselves personally able to carry out certain behavior.

Based on these theories, this research was examine entrepreneurial intention, and the perceived environmental factors those may influences entrepreneurial intention. According to theory of planned behavior Ajzen, (1991), entrepreneurship is a process undertaken by individual to establish a new organization. In these sense, Entrepreneur is an individual who creates a new organization Gartner et .al (1994). The most important question is how to predict whether someone is potential entrepreneur or not. According to the theory of planed behavior Ajzen, (1991), entrepreneurial intention is the single best predictors of future entrepreneurs Roynolds, (1995). Entrepreneurial intentions are important to understanding the overall process of entrepreneurship; as they serve as the key initial steps in the process of new business formation Katz and Gartner,(1998).

In line with theory, this study will try to investigate the level of entrepreneurial intention among universities students in Private higher education institution.

According to theory of entrepreneurial event (TEE), the formation of the new business is based perception of contextual factors. The contextual factors influence perceived feasibility and desirability; are two antecedents of entrepreneurial intention, those in turn influence entrepreneurial intention. In line with this theory, this study will try to investigate the relationship between some contextual factors and entrepreneurial intention.

2.4. Entrepreneurial Intention

Entrepreneurial intention is the entrepreneur's states of mind that direct attention, experience, and actions towards a business concept Bird, (1988). Intentions are considered to be the very important step in the entrepreneurship process for people who want to start up a new business.

Creating a new business is composed of conscious activities so that the individual fosters primary idea of a business develops the plan in a secure environment and implements the business program with practical actions Krueger et al.,(2000).

According to Bandura (2001), an intention is a representation of a future course of action to be performed; it is not simply an expectation of future action but a proactive commitment to bringing about. An intention is the center of the plan of action. This means that, absent intention, action is unlikely. An entrepreneurial intention is a commitment to starting a new business. It is the degree of commitment directed towards the performance of the entrepreneurial endeavor of putting up a business for self-employment Krueger, (1993).

According to Bagozzi et al. (1989), an intention is a crucial predictor of subsequent planned behavior, consequently, entrepreneurial intention is a decision to form a new business venture that is planned rather than conditioned. An individual may have the potential of being entrepreneur because of own competency and self-efficacy but may not make the transition into entrepreneurship because of a lack of intention Krueger et al., (2000).

Entrepreneurial intention is one's willingness in undertaking entrepreneurial activity or become self-employed as opposed to becoming waged or salaried individual Tkachev and Kolvereid, (1999). According to Thompson (2009), Entrepreneurial intention is a self-knowledge conviction by a person who intends to set up a new business venture and consciously plans to do so at some point in the future. For the purpose of this research, entrepreneurial intention is defined as the willingness to become self-employed as opposed to organizational employment.

2.5. Perspective of Intention

2.5.1. Formation of Intention

Entrepreneurship is becoming a very relevant instrument to promote economic growth and development. It is a way of thinking that emphasizes opportunities over threat Ajzen, (1991).

The opportunity identification process is clearly an intentional process. Therefore, entrepreneurial intentions clearly merit our attention, further, it offers a mean to explain and predict entrepreneurship.

From psychological point of view, the intention to become an entrepreneur has been described as the single best predictor of actual behavior Kovereid,(1996). However, methodologies and research instruments used so far differ widely. Then, the availability of a validated instrument to measure abilities, attitudes, and intention towards entrepreneurship could be much help.

In this study, we will pay particular intention to educational system as the main variable on the entrepreneurial intention level and how this variable affects the intention, which can result in actual entrepreneurial behavior.

Understanding intentions help researchers and theoreticians to understand related phenomena. These include what trigger opportunity scanning, the sources of ideas for a business venture, and how the venture ultimately becomes a reality.

In the psychological literature, intentions have proven the best predictor of planned behavior, particularly when behavior is rare, hard to observe and involves unpredictable time logs. According to Bird and Katz (1992), entrepreneurship is exactly the type of planned behavior for which intention models are ideally used in understanding the business venture formation in intentions. The intention models offer coherent, parsimonious, highly generalized, and robust theoretical framework for understanding and prediction of entrepreneurial activities, which is going to be used in our approach for the study.

2.5.2. Development of Entrepreneurial Intention through Education

Generally, most people have very positive attitude towards entrepreneurship but only few people have actual plans of setting up a firm Arenius-Antio et al., (2004). More particular, it is university graduates that are not interested of the entrepreneurial career. In fact, there is a negative correlation between education and entrepreneurship. The more educated a person, the less likely she or he is to act as an entrepreneur Arenius et al.,(2004).

On these ground, there is a positive influence of education on intention because of opportunity cost situation. That is, the relationship becomes complex because people with higher education normally have a better offer or better chances of success and attainment of personal goals not

only as business owner-managers, but also as employees Warneryd et al., (1987) instead of going into self-employment.

As such, the university programs shall promote entrepreneurial education in more courses to change their mindset in the concept of entrepreneurship to improve the graduates' interest and intention toward entrepreneurship.

The entrepreneurial intention need to be developed, as the entrepreneurs are responsible for the enterprises and businesses development, induce technical change and innovation, and promote learning culture.

Further study may need to carry out to justify that some structural change in the educational system is needed to promote the entrepreneurial spirit, desire and intention among the graduates due the following reasons Baharu Kemat, (1994):

- a) Entrepreneurial training is lacking in the early education.
- b) Most of the courses available are preparing the students or graduates to be a knowledgeable employee instead of being an employer.
- c) The career education is not effective in shaping more entrepreneurs and to expose them to the business opportunities in making self-employment as a career choice.
- d) The educational programs and trainings provided shall help to develop certain characteristics of entrepreneurship besides the knowledge and technical know-how for the business venture.
- e) An effective and flexible teaching program, appropriate teaching materials, sufficient research and reference materials shall be made available in the entrepreneurial education.
- f) Certain policy framework is needed for implementing entrepreneurship education at national level, to improve the quality and effectiveness of the program, to open up such education and training to all and to make those programs easily accessible.

2.6. Empirical studies on Entrepreneurial Intention among University students

According to Fridoline (2009), if one knows entrepreneurial intention and its level of existence among individuals, then she/he can predict whether enterprising students exist in the university population or not. This implies that students with entrepreneurial intention will end up in setting business ventures.

According to Kolvereid(1996), the top influences on career decisions were information and advice from parents and close family followed by friends.

Carr &Sequeira (2007) found that exposure to family business serves as an important intergenerational influence on intentions to become entrepreneur.

Wang and Wong (2004) study on university students in Singapore, found that students from business parents have greater interest in entrepreneurship than none business parent students. Tervo and Haapenen (2007) emphasized that there is a clear connection with entrepreneurial intentions and having role models inside family.

According to Matthews and Moser (1996), study on business administration university students found that gender and families which own business influenced entrepreneurial attitudes among the students.

According to Crant (1996), the gender, educational level and parents who own business contribute towards influencing entrepreneurial intention.

Crant's study on university students in the US (1996) indicated that male students exhibit significantly higher entrepreneurial intention as compared to female students. Chen and Sung (2011) found that male university students have stronger entrepreneurial intentions than female university students.

Clark et al., (1984), surveyed on the students participated in introductory entrepreneurship course and found that, by the end of the course, 80% of the students are intend to start their own business and from which 76% students are speak out that attending the course had strong influence on their decision to enter the entrepreneurial career.

2.7. Link between Entrepreneurial Intention and Entrepreneurship

Several studies evidenced that great relationship exist between entrepreneurial intention, and entrepreneurship. According to Bird (1988), intentionality as a state of mind directing a person's attention towards a specific goal in order achieve something. Entrepreneurial intentions are directed towards creating an entrepreneurship or creating new values in an existing venture. Entrepreneurship is an outcome of entrepreneurial intention so that entrepreneurial intention is

typical of emerging business. According to Davidsson, (1995), entrepreneurial intentions are assumed to predict individual choices to form their own firm.

2.8. Demographical Factors and Entrepreneurial Intention

2.8.1. Gender Differences and Entrepreneurial Intention

Personal background such as gender has been studied and found to influence entrepreneurial intentions. Thus, the first dimension of the proposed model is gender. There is an array of heterogeneity among male and female when it comes to entrepreneurship. The motivation levels, educational and occupational experiences, risk taking propensities, women working less hours and access to resources can account for some of these heterogeneities between these two groups of human beings. Women have also much more domestic demands competing for their time, thus having little time for venture creation. It has been documented that males have more entrepreneurial intentions and as such tend to be more likely and have more interest to start businesses leaving their female counter part less likely to be founder of new businesses Phan,Wong&Wang(2002), Mazzarol, Voley, Doss &Thein(1999). Professionalism brings in a divide between people and we need to acknowledge the reality that male and female do naturally differ in many more ways.

Experience shows that the odds towards business establishment are stacked against women. Plenty of research tells us those females are less likely to access business startup advice, receive equity investment, and venture capital or backing from angel investors. Women are also less successful than their male counterparts in acquiring financial support from family and friends.

Still, social conditioning means that many female lack self-beliefs and they possess a smaller appetite for risk than male. This fear of failure also impacts on male and female in different ways. In females, lack of confidence can restrict entrepreneurial behavior. In males, that lack of confidence acts as a spur. They often fight longer and harder than female to find a workable solution. Men's pride drives the quest to secure the viability of a social venture; female uncertainty can sometimes undermine it Guptaetal., .(2008).

The supports of the above argument have been documented by various scholars. In Sweden for example male dominated in entrepreneurship. Delmar &Davidsson report that 67% of all businesses in Sweden are started by men, 28% by women and 5% by a joint venture between men and women (Delmar & Davidsson2000). This contradicts with the finding by Kristiansen &Indart who found no significant differences of entrepreneurial intention between female and male students among Norwegian and Indonesian students (Kristiansen &Indart 2004). Davidson has drawn a conclusion affirming that above contention that men universally are always on high rank to bear attitudes and values favoring them for competitiveness and achievement than women. Efforts to establish this trend has revealed that women have lower perceptions of self-efficacy in which they are underrepresented Davidsson(1995). The natural inequalities that prevail among men and women in which women are mainly responsible for children care can be another contributing factor. Also traditional occupations for women do not attract much of entrepreneurship. Still the institutional approach in which patriarchal pressure, even though it can be different in Norway, in most societies hinder women into entering in business.

Brush (1992) found that men are more inclined towards entrepreneurial business than women with similar background. A large quantity of researches proved that women face more difficulties in venturing process as compared to their male counterparts. Particularly, women entrepreneurs face more difficulty in arranging a capital to start or to support their business (Fay & Williams, (1993) or to have angel financing Becker-Blease&Sohl,(2007), have a lower degree of human and financial capital (i.e., education and work experience) invested for starting up the new entity Boden&Nucci, (2000). Consequently, various studies conducted in different nations discovered that the objective success rate for women entrepreneurs is very less and they face slower rate of growth, low profits, and low sales Brush *et al.*,(2006); Welter *et al.*,(2006).

The possible reason to this difficulty faced by women entrepreneurs may be the stereotyping generally held against women who enter into such kind of activities (Marlow & Patton, 2005). The research also supports the generally held perception that to be an entrepreneur is a purely masculine characteristic of the members of society (Ahl, 2006; Lewis, 2006).

Numerous studies revealed that these kinds of stereotypes regarding gender influence the intentions of men and women to involve and pursue entrepreneurial activities as their career Gupta *etal.*, .(2008).

2.8.2. Family background and Entrepreneurial Intention

The second factor in the proposed model is family background. Family background is important variable that has been considered to contribute to the entrepreneurship intention. It has been found that socialization impacts an individual's attitude towards entrepreneurship Brockhaus&Horwitz, (1986). An individual's socialization takes place at home, at the place of education and in other spheres of interaction. Socialization includes messages about what is good and positive, what lends status as well as what is valued by others. Family background and parental role-modeling is one of the most prominent factor that affect early socialization and as a result formation of attitude towards entrepreneurship if the family is in that line Matthews & Moser, (1995). Early communication received and imbibed by an individual from the family would impact career choices by inducing individuals to choose a career in which they are viewed positively by the family. We can therefore propose that families' occupational background is likely to impact the preferences of individuals towards entrepreneurs and entrepreneurship.

Davidsson (1995) shows that average of 40% of small business owner managers in Sweden had a self-employed parent. This researcher also records of a survey of more 600 respondents in the UK that showed 30 -47% of entrepreneurs to have had a father in business. We find the established confirmation that there exist a positive relationship between the roles of role models and the perceived desirability, that's an individual's potential of founding a firm.

Carr and Sequeira (2007) found that exposure to family business serves as an important intergenerational influence on intentions to become entrepreneur. Family characteristics have implication on emergence of new business, recognition of opportunity, start up decisions and resource mobilizations Aldrich and Cliff, (2003). Similarly the study undertaken by Hisrich (2000) argues that the family involvement in business tends to influence the students future career to be involved in business too.

Generally, individuals who had families with business tend to show higher attitude towards entrepreneurship than those families that don't have business undertakings.

2.9. Environmental Factors and Entrepreneurial Intention

2.9.1. Entrepreneurship Education

It is becoming increasingly obvious that entrepreneurship can be taught. Drucker (1985) stated entrepreneurship is like management and technology, is an age long practice, which is vital importance to economic growth and development has been explicitly exposed through studies, and brought to the realm of theory and practice. Along this school of thought, entrepreneurial education has been recognized as one of the crucial factors that help the students to understand and cultivate entrepreneurial attitudes. Wang and Wong (2004) in their study found that the entrepreneurial dreams of many students are mainly hindered by inadequate preparation focused on their personality characteristics, they also pointed out the fact that the entrepreneurial dreams of many students are hindered by inadequate preparation and their business knowledge is insufficient more importantly, they are not prepared to take risk to realize their dreams. Therefore, academic institutions might play critical roles in the encouragement of young people to choose an entrepreneurial career.

Past studies have showed the relation of entrepreneurship education between attitude toward entrepreneurship and entrepreneurial intention. Tam (2009) and Dell (2008) proved entrepreneurship education and change in entrepreneurial attitude has significant relationship. Participation in entrepreneurship education has increased students attitude towards entrepreneurship positively as entrepreneurship education has enriched them with real worlds skills and knowledge, subsequently make them feel legitimate in pursuing entrepreneurial path. Thus, increase their entrepreneurial intention. However, students who did not participate in entrepreneurship education, their attitude towards entrepreneurship is negative, hence, reduce their interest towards entrepreneurship. This leads to a distinct level of entrepreneurial intention between entrepreneurship students and non-entrepreneurship students (Hamidi, Wennberg& Berglund, 2008; Miller, Bell, Palmer & Gonzalez, 2009; Zain et al., 2010). This study considers entrepreneurship education as the course or courses given to the students which might influence their career decision.

2.9.2. Perceived Access to Finance

According to Kristiansens and Indart (2004) lack of access to capital and credit scheme, and the constraints of financial systems are regarded by potential entrepreneur as main hindrances to business innovation and success in developing economies.

According to Fleming (1994), study in Ireland, Lack of finance is an obstacle that affects preferred future career choice of university students. Entrepreneurship is the less preferred future career choice of university students because of finance constraints.

According to Grilo and Thurik (2005), financial constraints have a negative impact on the decision to become an entrepreneur, and lack of financial support is an obstacle to start a new business which has direct effect on the fact of being self-employed. According to Greene (2005), access to finance is necessary to start firm. It is also perceived as one of the impediments for younger people to start their own business. This study take into consideration access to finance as startup capital required for starting new business.

2.9.3. Perceived Government policy

There are many barriers to launch a new business for individuals among which the policies of the government, existing rules and procedures, social and economic condition etc. if entrepreneurs are faced with a large number of probative rules, they will be disappointed to create new businesses (Fogel, 2001). Government policy can influence the market frame and create entrepreneurship friendly culture that promotes people to take risks and start their own businesses (Gnyawali&Fogel, 1994). However, entrepreneurs will be discouraged from building a new firm if they have to keep up with excessive numbers of rules and procedures (Fogel, 2001). Further, government is depicted as a barrier to the entrepreneurial activities (Kouriloff, 2000). Entrepreneurship flourishes in countries in which government regulations support new ventures (Busenitz et al., 2000). According to Klapper (2004), it is essential to create the right entrepreneurial environment that really promotes the entrepreneurial activity. The government such as loans, rule and regulations would definitely key conditions for success in nurturing and promoting entrepreneurship. Thus, this study takes into consideration government policy as rule and regulation governing existing businesses.

2.9.4. Social norm

Ajzen (1991), social norm refers to the perceived social pressure from one's peer and significant others impacting one's intention to perform or not to perform a specific behavior. Influences of other people that are close to a person can have influence on his or her intention to act in a certain way. The expectation of a family to a student to become an entrepreneur can influence the desirability of the individual student in setting up own business. The influence of role models for this matter remains important especially when it involves parents. The more supportive the social norms are, the higher the intention (Wilson, Kickul & Marlino 2007). Thus career choice preference of an individual could be at its highest point at student life and as such the influence of others can result in determining entrepreneurial intention (Gelderen, Brand, Praag, Bodewes, Poutsam & Gils, 2008). The theory of planned behavior Ajzen (1991) suggests that the entrepreneurial intention will be shaped by how students' parent's, family and friends react to their entrepreneurship aspiration. It is expected that those students who face negative reactions from people close to them may be dissuaded from pursuing entrepreneurship. Conversely, students who receive positive reactions will be more likely to pursue entrepreneurship.

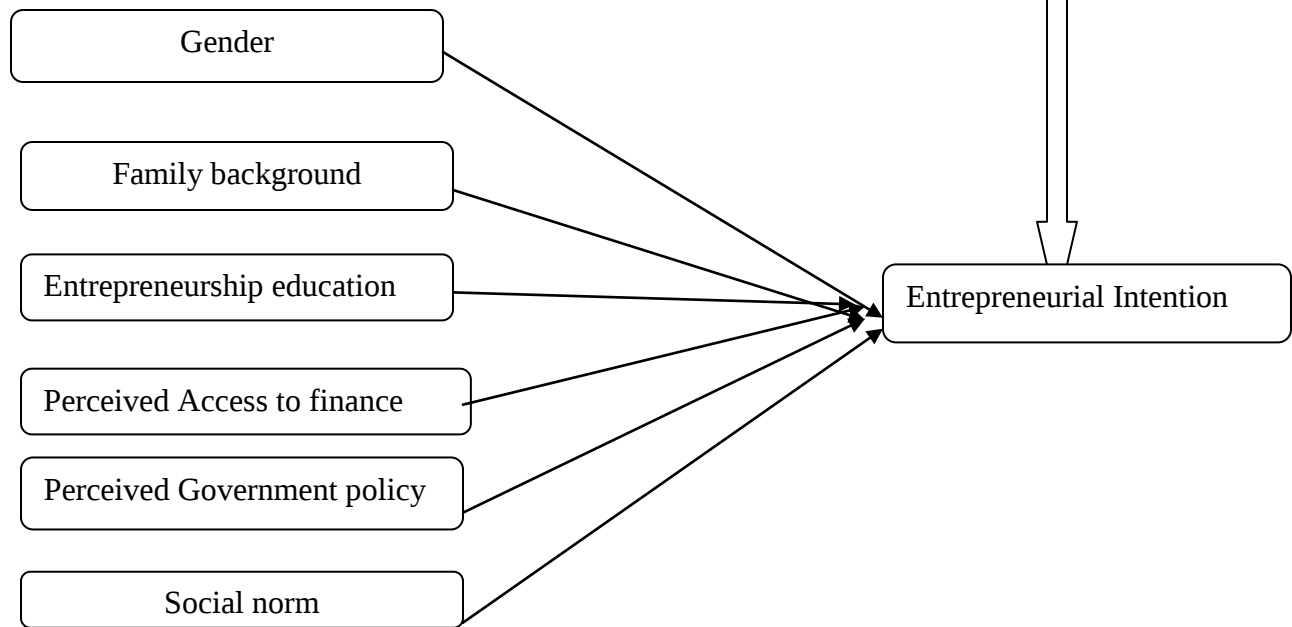
Social network in terms of an individual relationship with other members of the society plays significant role as well. A person is most likely to be influenced by a particular group of individuals such as family members, friends, peers and other close ones in one's life. For example people who grow up around a society or family that runs business or where family business is practiced are likely to learn and model entrepreneurial tendency, perceiving it to be feasible, more socially desirable and rewarding than formal employment in an established organization. In connection to the above, one can add that, Influences of other people that are close to a person can have an influence on his or her intention to act in a certain way. Thus, this study take into consideration social norm as the pressure exerted from friends and society at large to the students to pursue certain employment careers and not others.

2.10. Proposed Theoretical Framework

The framework model proposed that all the independent variables; Gender, family background, entrepreneurship education, perceived access to finance, perceived government policy and social norm are tested to determine whether they have significant relationship to the dependent variable (entrepreneurial intention).

Model 2.1: Proposed Theoretical Model

Independent Variables



Source: Developed for the research

3. RESEARCH METHODOLOGY

3.1. Introduction

This chapter describes the research design, data collection methods, data collection instruments, sampling design, constructs measurement, data processing and data analysis.

3.2. Description of Study Area

This research desired to investigate the intentions of graduate students towards entrepreneurship in private higher education institutions, which is found in Oromia Region in Assela Town. Asella is located at 7°53' to 7°58' North and 39°6' to 39°9' east. The area is characterized by annual mean rainfall of 1147 mm, average temperature of 15.10°C and has an elevation of 2430 m above sea level.

3.3. Research Design and Strategy

A researcher used a survey research design that provides a quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample of that population. From sample results, the researcher generalized or made claims about the population. Quantitative research strategy was adopted which quantified and generalized results from the sample to population. Researcher use closed questionnaires to obtain responses from respondents to examine the factors that influence graduate students' entrepreneurial intentions and the data collected and presented in tables and statistical form.

3.4. Data Types and Sources

For this study the researcher used both primary and secondary data.

3.4.1 Primary Data

Primary data is those data collected directly from firsthand experiences. It is organized mainly for the research project being undertaken (Saunders et al., 2007). Researcher acquired primary data through distributing questionnaire to target respondents.

Since it is a main instrument to collect primary data and enable researcher to reach large number of respondents as it is efficient, precise, time and cost saving.

3.4.2. Secondary Data

The secondary data was collected from relevant documents, various publications, different journals, articles related to the subject under study, and other online materials was utilized. Researcher assessed and analyzed all sources of secondary data as evidence to support the findings of this study.

3.5. Instruments of Data Collection

3.5.1. Questionnaire Survey

Self-administered survey questionnaire was used as research instrument. A questionnaire consisted of a number of questions that are arranged in a definite form or set of forms and sent to the persons concerned with a request to fill in the answers in the spaces provided Kothari, (2004). Structured questionnaires have definite, concrete and predetermined questions and are presented with exactly the same wording and in the same order to all respondents (Bryman, (2004). This method of data collection is quite popular, particularly in cases of large numbers. Thus, 219 sets of questionnaires were distributed to the respondents and each questionnaire was collected back within 10 to 15 minutes. Researcher took one week to collect back all the questionnaires.

3.5.2. Questionnaire Design

The questionnaire were designed and presented by the researcher in simple and unbiased wordings whereby respondents can easily understand the questions and provide answer based on their own perception (Kothari, 2004). Questionnaire as a means of data collection has been approved to be the most appropriate tool in quantitative research (Saunders, Lewis & Thornhill, 2007).

The questionnaire consisted of closed type questions with different types of settings such as multiple choice, ranking and likert scale questions. This questionnaire consisted of thirty-one items with three parts.

3.5.3. Pilot Test

A pilot test was conducted on 30 samples to refine reliability and validity of the questions and identify deficiencies in the design of questions prior actual survey.:

All independent variables are in good reliability since Cronbach's Alpha exceeds 0.70. The dependent variable, entrepreneurial intention is yielding good reliability result with Cronbach's Alpha of 0.757. In conclusion, all variables fall under good reliability score ranges. The rule of thumb indicated that Cronbach's Alpha of coefficient 0.7 to < 0.8 is good and 0.8 to < 0.9 is very good.

After obtaining satisfactory results of reliability test, researcher distributed 219 sets of questionnaires.

3.6. Population, Sampling Technique and Sample Size

3.6.1. Target Population

The target population was all Private higher education institution final year undergraduate regular and extension students in Assela town. The total target population was 483 students. From which, 219 were selected through stratified random sampling technique. As the interest of this group lies in the fact that, in terms of skills and knowledge, they appear to be excellent candidates for venture creation. Moreover, those take part in the survey near the end of their studies and expected to have the time and energy available in the near future to plan a business project.

3.6.2. Sampling Technique

Sampling refers to the process of selecting units such as people or organizations from a population of interest so that by studying the sample one may fairly generalize his or her results back to the whole population from which they were chosen. The basic essence of sampling is the fact that at times it proves difficult to study the whole range of subjects in question, so a selection will be using in order to describe the characteristic result of the whole population of interest (Kothari, 2004). Thus, in this study the researcher used stratified random sampling technique.

In order to increase the validity and reliability of the data, the study used probability sampling technique. Probability sampling is known as random sampling or chance sampling, where every

item of the population has an equal chance of inclusion in the sample (Ghosh 1982). In this study different graduate students from the PHEI of each Department were selected as strata; the required samples were selected from each stratum to represent the whole population, using a stratified random sampling technique. A stratum in which the population is divided into several sub-populations is individually more homogeneous than the total population and is usually formed based on the common characteristics of the items to be put in each stratum(Tandon 1979).

In order to determine the number of graduate students (proportions) from each stratum, proportional allocation methods were employed in which the size of the samples from the different strata were kept proportional to the size of the strata.

3.6.3. Sample Size

Determining an appropriate sample size is very important in any research as samples that are too large can waste resources; while too small samples may hardly represent the population and lead to inaccurate findings and recommendations. Sample size is determined by several factors such as homogeneity/heterogeneity of the population, tolerable sampling error (level of precision) and Confidence (risk) level. There are several approaches to determine the sample size. These include using a census for small populations, imitating a sample size of similar studies, using published tables and applying formulas to calculate a sample size. A researcher used a statistical formula. The formula to be used has been perfected by Yamane (1967) which provides a simplified formula to calculate sample sizes.

Sample size determination

Researcher has selected sample for research using the following Yamane's formula

$$n = \frac{N}{1 + N(e)^2}$$

Where n is the required sample size, N is the Population size, and “e” is the level of precision. In order to determine the required sample size at 95% confidence level, degree of variability of 0.5 and with the level of precision of 5% We substituting, N= 483 & e = 0.05 in the above formula

and : $n = 483/1+483(0.05)^2 = 219$. Hence, According to the above formula, the sample size was a minimum of 219. And this research paper surveyed to 219 respondents.

Table 1: Number of Graduate Students with their Department in 2010

No.	Departments (stratum)	Total number of graduates per department (stratum)	Proportion of samples
1	Accounting	154	70
2	Business Management	72	33
3	Surveying Engineering	58	26
4	Computer Science	52	24
5	Information Technology	54	24
6	Clinical Nursing	56	25
7	Midwifery	37	17
Total		483	219

Source: (chilalo college, ,Rohbot medical college and Rift valley University Office of the Registrar)

3.7. Measurement of the Variables

This study has both dependent and independent variables. These variables were measured as follows.

3.7.1. Dependent Variables and Independent Variables

This study has one dependent variable which is entrepreneurial intention. This variable was measured on five point likert scale which is ranging from (strongly disagree) to (strongly agree). This study have also six independent variables; namely; Gender, Family background, Entrepreneurship education, perceived access to finance, perceived Government policy and social norm. perceived access to finance, perceived Government policy and Social norm was measured on five point likert scale which is ranging from (strongly disagree) to (strongly agree).

3.8. Data Analysis Techniques

Data analysis is an application of reasoning to understand, clear and interpret the data or information that have been collected through the questionnaires (Zikmund et al., 2010).

3.8.1. Descriptive Analysis

Descriptive analysis refers to the transformation of raw data into a form that make them easier to understand and interpret (Zikmund et al., 2010). It is used to calculate average, frequency distribution and percentage distribution of the demographic information provided by respondents in part I.

3.8.2. Scale Measurement (Reliability Test)

Researcher used SPSS version 20 to conduct reliability test. Reliability is determined through the interpretation of Cronbach's alpha, which is a reliability coefficient that indicates how well the items in a set are positively correlated to one another (Sekaran&Bougie, 2010). The reliability of each measure was assessed by coefficient alpha using the SPSS as indicate in Table 2.

Table 2: Rule of Thumb for Cronbach's Alpha Coefficient Value

Alpha Coefficient Range	Strength of Association
< 0.60	Poor
0.60 to < 0.70	Moderate
0.70 to < 0.80	Good
0.80 to < 0.90	Very Good
0.90	Excellent

Adapted from: Zikmund, W. G., Babin, B.J., Carr, J.C., & Griffin, M. (2010).

3.8.3. Explanatory Analysis

3.8.3.1. Independent Sample T-test

T-test is used to test a hypothesis that mean scores on some interval or ratio scaled variable (metric) will be significantly different for two independent samples or groups. In this study, t-test is conducted to examine whether gender, family background and entrepreneurship education have significant influence on students entrepreneurial intention for confirmation testing.

3.8.3.2. Pearson Correlation Analysis

According to Sekaran and Bougie (2010), Pearson correlation analysis indicates the strength, direction and significance of bivariate relationships among all the variables that were measured at interval or ratio level. The larger the correlation coefficient, the stronger the level of association and it can be either positive or negative depending on the direction of the relationship between variables. In this study, it is used to measure the co-variation and association between entrepreneurial intention and four elements (entrepreneurship education, perceived access to finance, perceived government policy and social norm). On hypotheses 3, 4, 5 and 6. The test will be done at 5% or 1% significance level.

Table 3: Rule of Thumb about Correlation Coefficient Size

Coefficient range	Strength of Association
± 0.91 to ± 1.00	Very strong
± 0.71 to ± 0.90	High
± 0.41 to ± 0.70	Moderate
± 0.21 to ± 0.40	Small but definite relationship
± 0.01 to ± 0.20	Slight, almost negligible

Source: Hair, Jr., Money, A. H., Samouel, P., & Page, M. (2007).

4. RESULT ANALYSIS AND DISCUSSION

4.1. Introduction

This chapter discusses the results obtained from questionnaires which were completed by the respondents earlier. It includes descriptive analysis, scale measurement and inferential analyses.

Response rate

The total targeted population was 483 students. From which, 219 sample were selected through stratified simple random sampling technique. From this sample population, the responses of 210 respondents were qualified for analysis.

Reliability Test

The following table shows the summary of reliability statistics for the independent variables (entrepreneurship education, perceived access to finance, perceived government policy, and social norm) and one dependent variable (entrepreneurial intention).

According to the below Table 4, the Cronbach's alpha value of entrepreneurship education is 0.889, perceived access to finance is 0.816, entrepreneurial intention is 0.783, perceived government policy is 0.714 and social norm is 0.706. This concludes that all the items in each variable of this study show a stable and consistent result.

Table 4: Summary of Reliability Statistics

Variables	Cronbach's Alpha	Number of Items	Number of respondents
Entrepreneurship education	0.889	3	210
Perceived access to finance	0.816	4	210
Perceived government policy	0.714	3	210
Social norm	0.706	5	210
Entrepreneurial intention	0.783	8	210

Source: Developed for the research

4.2. Personal Details of Respondents

The population for this study was all Private higher education institution final year undergraduate regular and extension students in Assela town. The total targeted population was 483 students. From which, 219 sample were selected through stratified simple random sampling

technique. From this sample population, the responses of 210 respondents were qualified for analysis.

The sample includes male and female students and students come from business family background as well as non-business family background. The sample also includes students those had studied entrepreneurship education and those had not studied entrepreneurship education.

Frequency distribution of respondents based on gender, age, entrepreneurship education and family background is indicated in the table below.

Table 5: Personal Details of Respondents by Gender

		Number	Percentage
Gender	Male	134	63.9
	Female	76	36.1
	Total	210	100

Source: Data generated by SPSS version 20

The above Table 5 presents the characteristics of sample population demographically the selected respondents are varying above that, the respondents are not equally distributed. It is revealed that, out of 210 respondents, 134 (63.9%) were males and the remaining 76 (36.1%) were females. Accordingly, it is shown that most of the respondents are male. Additionally, it can be deduced that the collected data is the reflections of the ideas of both sex groups in nearly not balanced manners.

Table 6: Personal Details of Respondents by Age group

Age group	Under 25 years	156	74.3
	25 – 35	49	23.3
	36 – 45	5	2.4
	Above 45	-	-
	Total	210	100

As shown in the above Table 6, the question about respondent's age was asked to understand the respondents' maturity level in dealing with the issues under investigations. Accordingly, the largest age group is laid in the age category of Under 25 years which accounts to 156(74.3%) out of the total respondents. The smallest age group was related to respondents within an age bracket of 36 - 45 years which accounts to 5(2.4%). Respondents' within an age bracket of 25 - 35 years

constitutes the second largest group which accounts to 49 (23.3%). From this it can be indicated that the study organization is mostly visited by respondents whose age lies under 35 years who are in their young age.

Table 7: Personal Details of Respondents by taken any Entrepreneurship course

Have you taken any	Yes	126	60
Entrepreneurship course?	No	84	40
	Total	210	100

According to the responses from the respondents of the research, from the total respondents, 126(60%) of them had studied entrepreneurship education and 84(40%) of the respondents had not studied entrepreneurship education. This shows that most of the respondents had studied entrepreneurship education. Thus, taking a course in entrepreneurship enhances students' confidence regarding their skills to become entrepreneurs after graduation.

Table 8: Personal Details of Respondents by Family background

	Yes	116	55.2
Family background	No	94	44.8
	Total	210	100

Table 8 shows the family business backgrounds of respondents. Out of the total respondents, 116(55.2%) of respondents said that their family own business and 94(44.8%) of respondents said that their family do not own business. This shows that most of the respondents were come from business family background. Thus, respondents whose family members have started a business have a significantly higher entrepreneurial intention than students with non-entrepreneurial parents and such business background can help them to pursue their own business in their future career.

4.3 Descriptive analysis

4.3.1. Students' Interest in Starting or Owning a Business

As career options are diverse in nature individual do prefer one career option over other options. So that, it is important to know the position of entrepreneurship as career option of students when compared with other career options this is indicated in the table below.

Table 9: Students' Interest in Starting or Owning a Business

Do you want to start your own business after graduation?	Response	Male	%	Female	%	Total	Percentage
	Yes	116	86.6	62	81.6	178	84.8
	No	18	13.4	14	18.4	32	15.2
	Total	134	100	76	100	210	100

Source: Data generated by SPSS version 20.

The above Table 9 presents the students' interest in personally involved in their business. Over 81% of the respondents claimed that they would like to start up or own business after graduation.

4.3.2. Reasons or Motivations for Starting up a Business

The students were provided with a battery of statements and asked to rank the eight statements on what motivated them to consider starting a business according to their importance to them. There are various reasons why young people decide to start their own business, relating to their living circumstances, their personal attitudes, preferences and objectives and their particular interests and individual strengths. Recognizing these reasons is very important for stimulating the students towards entrepreneurship.

As shown in the below Table 10, Starting a business is the only chance to earn money for me (28(12.8%) ranked it first, 24(11.0%) ranked it second and 24(11.0%) ranked it third and beyond). It seems that the respondents want to start a business to earn money because there is no other alternative to earn their living for them.

To be independent or to be my own boss 45(20.5%) ranked this first, 33(15.1%) ranked it second and 22(10%) ranked it third and beyond)

This shows that a good number of students were motivated by the need for independence to think of starting up a business as one important alternative to earn money. Various literatures on entrepreneurship consider the need for independence as one of the important characteristics of entrepreneurs. To change and improve the society (36(16.4%) ranked this first, 32(14.6%) ranked it second and 9(4.1%) ranked it third and beyond). Changing and improving the society is cited as one of the motivators to consider starting up a business by the young people included in the study. This refers to the need to be socially responsible which is possessed by some of the respondents.

Table 10: Reasons or Motivations for Starting up a Business

Rank	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	Missing	Total
Starting up a business is the only chance to earn money for me	28	24	24	20	12	28	11	31	32	210
To be independent	45	33	22	31	9	9	4	25	32	210
To change and improve the society	36	32	9	20	7	18	14	42	32	210
To continue with family tradition	5	22	12	24	29	20	34	32	32	210
To do what I really want to do	25	19	20	30	27	23	20	14	32	210
To gain recognition from the society	17	11	16	6	46	37	24	21	32	210
For financial freedom	18	17	27	22	34	24	26	10	32	210
To help in creating employment	4	20	48	25	14	19	45	3	32	210

Source: Data generated by SPSS version 20

Note: The ranks are put from 1st to 8th according to their importance by the respondents.

The students were provided with a battery of statements and asked to rank the eight statements on what motivated them to consider starting a business according to their importance to them. There are various reasons why young people decide to start their own business, relating to their living circumstances, their personal attitudes, preferences and objectives and their particular interests and individual strengths. Recognizing these reasons is very important for stimulating the students towards entrepreneurship.

As shown in the above Table 10, Starting a business is the only chance to earn money for me 28(12.8%) ranked it first, 24(11.0%) ranked it second and 24(11.0%) ranked it third and beyond). It seems that the respondents want to start a business to earn money because there is no other alternative to earn their living for them.

To be independent or to be my own boss 45(20.5%) ranked this first, 33(15.1%) ranked it second and 22(10%) ranked it third and beyond

This shows that a good number of students were motivated by the need for independence to think of starting up a business as one important alternative to earn money. Various literatures on entrepreneurship consider the need for independence as one of the important characteristics of entrepreneurs. To change and improve the society 36(16.4%) ranked this first, 32(14.6%) ranked it second and 9(4.1%) ranked it third and beyond). Changing and improving the society is cited as one of the motivators to consider starting up a business by the young people included in the study. This refers to the need to be socially responsible which is possessed by some of the respondents.

To continue with family tradition 25(11.4%) ranked this first, 19(8.7%) ranked it second and 20(9.1%) ranked it third and beyond). Out of the 210 respondents 5 (2.3%) students are from a family engaged on business activities and among these students some of them considered continuing in family tradition as one of their reason to consider starting a business.

To do what I really want to do 17(7.8%) ranked this first, 11(5%) ranked it second and 16(7.6%) ranked it third and beyond). A good number of students claimed that they think of starting a business to change their hobby or leisure time activities in to business.

To gain recognition/reputation from the society (none of them ranked this first, 17(9.2%) ranked it second, 11(7.8%) ranked it third and 16(12.3%) ranked it fourth and beyond). Most of the respondents attached very little value to respect and to gain recognition from the society as the reason for considering starting up a business. For financial freedom 18(9.8%) ranked it first, 17(9.1%) ranked it second and 27 (10.8%) ranked it third and beyond.

One of the most important reasons often cited as a motivator to start a business is to gain the financial benefit associated with owning and running a business. It is one of the important reasons put by the respondents to think of starting a business. To help in creating employment 4(1.8%) ranked this first, 20(9.1%) ranked it second and 48(21.9%) ranked it third and beyond).

One of the roles played small businesses established by entrepreneurs to the society is creation of employment opportunities for the unemployed work force. But as a matter of fact only few students valued this as a motivator for them to start up a business.

To sum up, majority of the students claimed that the need for independence is one their major reason to start their own business. On the other hand good number of students reported that their reason of starting a business is to do what I really want to do.

This clearly signals that Personal career choice motives are found to be a driving factor behind career choice intentions / entrepreneurial intentions as well.

4.3.3. Inhibitors to Starting up a Business for students

Students were provided with six statements that are considered to be constraints to start up and run a business and were requested to rank them from first to sixth according to their degree of importance to them.

Table 11: Inhibitors to Starting up a Business for students

Rank	1 st	2 nd	3 rd	4 th	5 th	6 th	Total
Access to finance	35	37	21	28	42	47	210
Entrepreneurship education and training do not promote students to start a business.	70	16	15	41	25	43	210
Lack of business support in terms of business counseling and working space.	57	42	21	36	27	27	210
Social and cultural attitude towards business ownership.	21	47	32	53	22	35	210
Government regulations.	21	42	43	26	52	26	210
High risk of conducting business.	6	26	78	26	47	27	210

Source: Data generated by SPSS version 20.

Note: The ranks are put from 1st to 6th according to their importance by the respondents.

Students were provided with six statements that are considered to be constraints to start up and run a business and were requested to rank them from first to sixth according to their degree of importance to them.

As shown in the above Table 11, Access to finance 35(16.3%) of the respondents ranked it first, 37(17.8%) of the respondents' ranked it second and 21(10%) of them ranked it third and beyond).

This shows that the majority of the respondents considered lack of access to start up finance as the major inhibitor to starting up a business.

Lack of access to start up finance is one of the most prominent (at least most talked about) impediments to young people to create their own business. As can be seen from the above table, lack of access to start up financing was considered to be the most severe barrier compared to all other barriers that the respondents are provided to rate or rank. Entrepreneurship education and training do not promote or encourage the young people to engage in business and to develop good business idea. Education and training does not match market opportunities. 70(33.3%) of the respondents ranked this first, 15(7.2%) of the students ranked it second and 16 (8.9%) ranked it third and beyond).

Many students responded that education do not encourage students to start up a business. They claimed that still school environments often do not sufficiently introduce the students to the option of entrepreneurship and self-employment. Lack of business support in terms of business counseling and access to working space 57 (27.1%) ranked it first, 42(20%) ranked it second and 21(10%) ranked it third and beyond).

The respondents considered lack of business support and work space as the second most important impediment among the barriers listed for them to rank. Availability of tailor-made business training and advice and well located working space are crucial for a particular start up situation. Social and cultural attitude towards entrepreneurship i.e. entrepreneurship is not appreciated and promoted enough by the society 21(10%) ranked it first, 47(22.3%) ranked it second and 32(15.2%) ranked it third and beyond).

Few respondents claimed that social and cultural attitude of society towards entrepreneurship to be their important constraint. This seems true as general observation tells that the society wants/values most students be inclined to other professions like medicine, engineering, law and related professions than those who are intending to start and run their own businesses.

Government regulations i.e. excessive administrative and bureaucratic burdens impede youth entrepreneurship (none of them ranked it first, 21(10%) ranked it second, 42(20%) ranked it third and 43(20.4%) ranked it fourth and beyond). Administrative and regulatory burdens are among the important barriers to start ups of the young people in developing country according to the report of World Bank (2005). These administrative and regulatory burdens could be in the form of business registration, obtaining investment approvals and business licenses, access to work

space and long term leases and the like. These issues, as with other barriers, are considered by the respondents as one of the inhibitors to consider starting a business as a viable alternative to employment. High risk of conducting business 6(2.8%) ranked it first, 26(12.3%) ranked it second and 8(3.8%) ranked it third and beyond). As can be seen from the table, few students considered risks of conducting business as an important inhibitor. It seems that students are not de motivated by the risks inherent in starting and running a business. Calculated risk taking or assumption is one of the important characteristics possessed by entrepreneurs according to various literatures on entrepreneurship.

To sum up, majority of the students acknowledged a lack of available start-up capital is one of the most prominent impediments to young people seeking to create their own business, thus prohibiting any entrepreneurial activity directly after graduation. On the other hand, respondents also reported that lack of business support in terms of business counseling and access to working space did not stimulate the students to start their own business. In addition respondents noted, in one way or another, that government regulations did not support or encourage entrepreneurship as a viable career path. This will have some implications on the policy making for the government as it implies that increased access to finance would be an effective tool for influencing the entrepreneurship levels.

4.3.4. Entrepreneurial Intention of the Respondents

Entrepreneurial intention is a willingness of individual to pursue entrepreneurship or start their own firm. Entrepreneurial intention helps to predict whether someone is potentially entrepreneur or not in due time as of the theory of planned behavior (Ajzen, 1991). The mean level of entrepreneurial intention helps to know how the sampled population is potentially entrepreneur or not. Hence, it is important to know mean score of entrepreneurial intention of sample to make general inference for population.

The Table 12 reveals that the mean score of entrepreneurial intention among students is (3.26). This mean score is above midpoint of likert scale which is between neutral (3) and agree (4). This implies that majority of students have an intention to pursue entrepreneurship in the future. In other word, they have a willingness to pursue entrepreneurship as their career choice in the future.

Table 12: Mean Score of Entrepreneurial intention of the Respondents

Questions	Number	Mean	Std. deviation
Q1. EI	210	2.35	1.601
Q2. EI	210	2.39	1.588
Q3. EI	210	2.33	1.551
Q4. EI	210	3.21	1.247
Q5. EI	210	3.83	0.909
Q6. EI	210	3.92	0.854
Q7. EI	210	3.99	0.937
Q8. EI	210	4.04	0.765
Overall		3.26	1.18

Source: Data generated by SPSS version 20.

4.3.4.1. Students' Entrepreneurial Intention by Gender

The entrepreneurial intention of the respondents was compared based on their gender in the table below.

Table 13: Students' Entrepreneurial Intention by Gender

Gender	Frequency	Mean	Std. deviation
Male	134	3.33	0.714
Female	76	3.12	0.641

Source: Researcher survey (2018).

As shown in the above Table 13, the mean score of entrepreneurial intention of male students is (3.33) and the mean score of entrepreneurial intention of female students is (3.12). As per the analysis entrepreneurial intention by gender is very important and has positive and powerful impact on the becoming an entrepreneur. This means that females seem more reluctant to enter into entrepreneurship than male students.

4.3.4.2. Students' Entrepreneurial Intention by Family background

The entrepreneurial intention of respondents is compare based on their Family background in the table below.

Table 14: Students' Entrepreneurial Intention by Family background

Family background	Frequency	Mean	Std. deviation
Business family	116	3.56	0.746
Non business family	94	3.14	0.637

Source: Researcher survey (2018)..

The above Table 14 exhibited that the mean level of entrepreneurial intention of students from business family background is (3.56) and the mean level of entrepreneurial intention of students from non-business family background is (3.14).

4.3.4.3. Students' Entrepreneurial Intention by Entrepreneurship education

The entrepreneurial intention of respondents was compare based on entrepreneurship education they had studied

Table 15: Students' Entrepreneurial intention by Entrepreneurship education

Have you taken any Entrepreneurship course?	Frequency	Mean	Std. deviation
Yes	126	3.46	0.747
No	84	2.94	0.457

Source: Researcher survey (2018).

As presented in the above Table 15 exhibited that, the mean score of entrepreneurial intention of students those had studied entrepreneurship education is (3.46) and the mean score of entrepreneurial intention of students those had not studied entrepreneurship education is (2.94). This indicates that the entrepreneurial intention of students those had taught entrepreneurship education is higher than those students had not taught entrepreneurship education.

4.3.5. Mean Analysis of Entrepreneurship education, Perceived Access to finance, Perceived Government policy and Social norm

4.3.5.1. Entrepreneurship Education

The mean score of each individual question and the overall mean of all questions were calculated. After that, the view of respondents towards entrepreneurship education was examined from the overall mean as it was indicated in the table below.

Table 16: Mean Score of Entrepreneurship education

Questions	Frequency	Mean	Std. deviation
Q1. EE	210	3.40	1.400
Q2. EE	210	3.38	1.293
Q3. EE	210	3.10	1.460
Overall		3.29	1.38

Source: Researcher survey (2018)..

The above Table 16 shows that mean score of entrepreneurship education is above midpoint of likert scale which is 3.29. This implies that entrepreneurship education is necessary for students to pursue entrepreneurship as their future career choice.

4.3.5.2. Perceived Access to Finance

The mean score of each individual question and the overall mean of all questions were calculated as follows. Table 17 shows that the mean score of perceived access to finance is below midpoint of likert scale which is 2.18. This means it is difficult to get access to finance for starting new business as it was perceived by respondents. The perception of students towards access to finance for starting business was found negative.

Table 17: Mean Score of Perceived Access to Finance

Questions	Frequency	Mean	Std. deviation
Q1.PAF	210	2.39	1.167
Q2.PAF	210	2.28	1.204
Q3.PAF	210	2.15	1.038
Q4.PAF	210	1.90	1.159
Overall		2.18	1.14

Source: Researcher survey (2018).

The finding of this study showed that there was significant positive relationship between perceived access to finance and entrepreneurial intention which is consistent with studies conducted by Kiristiansen&Indart(2004); Flemming(1996); Grilo and Thurik (2005); and Greene(2005).

4.3.5.3. Perceived Government Policy

The mean score of each individual question and the overall mean of all questions were calculated. After that, the view of respondents towards government policy was examined from the overall mean as it was indicated in the table below.

Table 18: Mean Score of Perceived Government Policy

Questions	Frequency	Mean	Std. deviation
Q1.PGP	210	2.32	1.291
Q2.PGP	210	2.08	1.096
Q3.PGP	210	3.19	1.172
Overall		2.53	1.19

Source: Researcher survey (2018).

The above Table 18 shows that the mean score of perceived government policy is below midpoint of likert scale which is 2.53. This means that the government policy is not favorable for new business formation as it was perceived by respondents. The perception of students towards entrepreneurship was found negative so that the perceived government policy cannot stimulate the students' entrepreneurial intention.

4.3.5.4. Social norm

The mean score of each individual question and the overall mean of all questions were calculated. After that, the view of respondents towards social norm was examined from the overall mean as it was indicated in the table below.

Table 19: Mean Score of Social norm

Questions	Frequency	Mean	Std. deviation
Q1.SN	210	2.34	1.388
Q2.SN	210	2.38	1.147
Q3.SN	210	3.62	1.273
Q4.SN	210	3.53	.986
Q5.SN	210	4.02	.954
Overall		3.18	1.15

Source: Researcher survey (2018).

The above Table 19 shows that mean score of social norm is above midpoint of likert scale which is 3.18. This implies that the pressure exerted to the students from society is almost high. Therefore, it can stimulate the students' entrepreneurial intention as society exerts pressure to their children to pursue entrepreneurship as their future career choice. The more supportive the social norms are, the higher the entrepreneurial intention.

4.4. Explanatory Analysis

4.4.1. Testing differences between groups/Independent T-test/

The independent sample t-test was employed to compare mean score of entrepreneurial intention of two different groups. For this work, the sampled population was grouped based on Gender, Family background and Entrepreneurship education.

4.4.1.1. Independent T-test based on Gender of the Respondents

Hypothesis 1

H₁: There is significant difference exist in entrepreneurial intention between male and female PHEI students.

Table 20: T-test Result (Gender Difference and Entrepreneurial Intention)

Gender		N	Mean	Std.Deviation	Std.Error Mean
Entrepreneurial intention	Female	76	3.12	.641	.065
	Male	134	3.33	.714	.054

Independent Samples Test			Levene's Test for Equality of Variances	
			F	Sig.
Entrepreneurial intention	Equal Variances Assumed		4.988	.026
Equal variances not Assumed				

From Table 20 the t-value to report is 2.495. The Sig. under Levene's Test for Equality of Variance is smaller than alpha value of 0.05. Thus, it shows the variances are unequal.

The p-value under equal variances not assumed should be reported. The p-value is 0.013 is much smaller than alpha value of 0.05. Therefore, there is significant difference between male and female in their intention to be entrepreneur. This showed that gender does influence students' entrepreneurial intention.

Independent Samples Test

		t-test for Equality of Means			
		t	Df	Sig.(2-tailed)	Mean Difference
Entrepreneurial intention	Equal Variances Assumed	-2.423	208	.016	-.211
	Equal variances not Assumed	-2.495	120.044	.013	-.211

Source: Researcher survey (2018).

From Table 20, the t-value to report is 2.495. The Sig. under Levene's Test for Equality of Variance is smaller than alpha value of 0.05. Thus, it shows the variances are unequal.

The p-value under equal variances not assumed should be reported. The p-value is 0.013 is much smaller than alpha value of 0.05. Therefore, there is significant difference between male and female in their intention to be entrepreneur. This showed that gender does influence students' entrepreneurial intention.

This can be easily understood from mean score of entrepreneurial intention based on the gender of the students; the female students have low entrepreneurial intention while male students have high entrepreneurial intention. The finding indicates that there is significant difference between male and female in their intention to be entrepreneur. Accordingly, male students have higher entrepreneurial intention than female counter parts which is consistent with previous research conducted by Phan, Wong and Wang(2002); Voley, Doss and Thein(1999); Brush(1992);Gupta et al.(2008) ; Fay and William(1993). Therefore, one can conclude that males seem to have strong intention to become self-employed.

4.4.1.2. Independent T-test based on Family background of the Respondents

Hypothesis 2

H₁: There is significant difference exist in entrepreneurial intention between PHEI students of business family background and non-business family background.

Table 21: T-test Result (Family background and Entrepreneurial Intention)

Family background		N	Mean	Std. Deviation	Std. Error Mean
Entrepreneurial intention	Business family	116	3.56	.746	.085
	Non-business family	94	3.14	.637	.046

Independent Samples Test

		Levene's Test for Equality of Variances	
		F	Sig.
Entrepreneurial intention	Equal Variances Assumed	4.089	.044
	Equal variances not Assumed		

Independent Samples Test

		t-test for Equality of Means			
		t	Df	Sig.(2-tailed)	Mean Difference
Entrepreneurial intention	Equal Variances Assumed	4.622	208	.000	.417
	Equal variances not Assumed	4.318	122.504	.000	.417

Source: Researcher survey (2018).

From Table 21, the t-value to report is 4.318. The Sig. under Levene's Test for Equality of Variance is smaller than alpha value of 0.05. Thus, it shows the variances are unequal.

The p-value under equal variances not assumed should be reported. The p-value is 0.00 is much smaller than alpha value of 0.05. Therefore, there is significant difference between family backgrounds in their intention to be entrepreneur.

Thus, one can conclude that there is existed a significant difference in entrepreneurial intention among students from business family background and non-business family background. The finding indicates that there is significant difference between family backgrounds in their intention to be entrepreneur. This implies that students whose family members have started a business have a significantly higher entrepreneurial intention than students with non-entrepreneurial parent which is consistent with previous research conducted by Aldrich & Cliff (2003); Hisrich(2000); Matthews & Moser(1995); Carr &Sequeira(2007); and Davidsson(1995). This means that Students whose families' have business background is more likely to start a business in the future compared to those whose family had no business background.This will have some implications that entrepreneurial family provides youngsters with an opportunity to acquire certain business skills, confidence, experience and vision, all of which contribute to inclination to start a new business.

Therefore, it was expected that most of entrepreneurs will come from students having business family background.

4.4.1.3. Independent T-test based on Entrepreneurship education of the Respondents

Hypothesis 3

H₁: There is significant relationship between entrepreneurship education and entrepreneurial intention of the PHEI students.

Table 22: T-test Result (Entrepreneurship education and Entrepreneurial Intention)

Entrepreneurship education		N	Mean	Std. Deviation
Entrepreneurial intention	Yes	126	3.46	.747
	No	84	2.94	.457

Independent Samples Test

		t-test for Equality of Means			
		T	Df	Sig.(2-tailed)	Mean Difference
Entrepreneurial intention	Equal Variances Assumed	-6.433	208	.000	0.004

Source: Researcher survey (2018).

From Table 22, the t-value to report is 7.075. The Sig. under Levene's Test for Equality of Variance is smaller than alpha value of 0.05. Thus, it shows the variances are unequal.

The p-value under equal variances not assumed should be reported. The p-value is 0.00 is much smaller than alpha value of 0.05. Therefore, there is significant difference between students those had studied entrepreneurship education and those had not studied entrepreneurship education.

Thus, one can conclude that there is existed a significant difference between students those had studied entrepreneurship education and those had not studied entrepreneurship education.

This means that the entrepreneurial potential of the students is different based on their entrepreneurship education. This can be easily understood from mean score of entrepreneurial intention based on the entrepreneurship education of the students.

The students who had studied entrepreneurship education have high entrepreneurial intention while students who had not studied entrepreneurship education have low entrepreneurial intention. Therefore, it was expected that most of entrepreneurs will come from students who had studied entrepreneurship education and training.

4.4.2. Pearson Correlation Coefficient and multiple linear regression Analysis

The relationship between perceived access to finance, perceived government policy and social norm with entrepreneurial intention was assessed by person correlation.

4.4.2.1. Correlation between Entrepreneurship education and Entrepreneurial intention

Hypothesis 3

H₁: There is significant relationship between entrepreneurship education and entrepreneurial intention of the PHEI students

Table 23: Correlation between Entrepreneurship education and Entrepreneurial Intention

Social norm		
Entrepreneurial intention	Pearson correlation	0.440 ^{**}
	Sig.(2 – tailed)	0.000
	N	210

^{**}.Correlation is significant at the 0.01 level (2 – tailed).

Source: Researcher survey (2018).

Table 23 indicates that the correlation coefficient between entrepreneurship education and entrepreneurial intention is positive which is 0.440 with p-value of $0.000 < 0.01$. Thus,

hypothesis (H₁) is accepted. There is moderate positive relationship between entrepreneurship education and entrepreneurial intention keeping others variable constant. The finding indicates that there is significant difference in entrepreneurial intention between students those had taken entrepreneurship education and those had not taken entrepreneurship education which is consistent with previous research conducted by Tam (2009); Dell (2008); Wang and Wong (2004); and Clark et al. (1984). It is obvious that, prior exposure to entrepreneurship education has a positive effect on students' attitude toward a career in entrepreneurship. Therefore, entrepreneurial education plays a significant role to entrepreneurship and self - employment as students who had taken entrepreneurship course are more likely to be interested in start-ups of their own business at some point of time.

The finding of this research proved that there is significant positive and moderate relationship between entrepreneurship education and entrepreneurial intention. This result is particular consistent and supported by previous researchers Tam (2009); Dell (2008); and Wang and Wong (2004). This may be due to the impact of the course content or the training underwent.

4.4.2.2. Correlation between Perceived Access to Finance and Entrepreneurial Intention

Hypothesis 4

H₁: There is significant relationship exist between perceived Access to finance and entrepreneurial intention of the PHEI students.

Table 24: Correlation between perceived Access to Finance and Entrepreneurial Intention

Perceived Access to Finance		
Entrepreneurial intention	Pearson correlation	0.545 ^{**}
	Sig.(2 – tailed)	0.000
	N	210

^{**}.Correlation is significant at the 0.01 level (2 – tailed).

Source: Researcher survey (2018)..

As shown in the above Table 24, the correlation coefficient between perceived access to finance and entrepreneurial intention is positive which is (r=0.545). The p value which is (p=0.000) is less than acceptable level of significance which is (p< 0.05). Thus, null hypothesis (H₁) is accepted. There is moderate positive relationship exist between perceived accesses to finance and entrepreneurial intention keeping others variable constant. This means that there is enough

evidence to conclude that perceived access to finance determine entrepreneurial intention among private higher education institution students. The finding of this study showed that there is significant positive relationship between perceived access to finance and entrepreneurial intention which is consistent with studies conducted by Kiristiansen&Indart(2004); Flemming(1996); Grilo and Thurik (2005); and Greene(2005).

Thus, one can conclude that students with high perceived access to finance have greater entrepreneurial intention.

4.4.2.3. Correlation between Perceived Government policy and Entrepreneurial Intention

Hypothesis 5

H₁: There is significant relationship exist between Perceived Government policy and entrepreneurial intention of the PHEI students.

Table 25: Correlation between Perceived government policy and Entrepreneurial Intention

Perceived Government policy		
Entrepreneurial intention	Pearson correlation	0.420 ^{**}
	Sig.(2 – tailed)	0.000
	N	210

^{**}.Correlation is significant at the 0.01 level (2 – tailed).

Source: Researcher survey (2018).

As show in the above Table 25, the correlation coefficient between perceived government policy and entrepreneurial intention is positive which is ($r = 0.420$). The P value which is ($p = 0.000$) is less than acceptable level of significance which is ($p < 0.05$). Thus, null hypothesis (H₁) is accepted. There is moderate positive relationship exists between perceived government policy and entrepreneurial intention keepingothers variable constant. This means that there is enough evidence to conclude that perceived government policy determine entrepreneurial intention among students of private higher education institution. The finding of this study illustrated that there is significant positive relationship between perceived government policy and entrepreneurial intention which is consistent with studies conducted by Fogel(2001); Kouriloff (2000); Busenitz et al, (2000); and Klapper(2004).

Thus, one can conclude that students with favorable perceived government policy have greater entrepreneurial intention.

4.4.2.4. Correlation between Social norm and Entrepreneurial Intention

Hypothesis 6

H₁: There is significant relationship between Social norm and entrepreneurial intention of the PHEI students.

Table 26: Correlation between Social norm and Entrepreneurial Intention

Social norm		
Entrepreneurial intention	Pearson correlation	0.404 ^{**}
	Sig.(2 – tailed)	0.000
	N	210

^{**}.Correlation is significant at the 0.01 level (2 – tailed).

Source: Researcher survey (2018).

Table 26 indicates that the correlation coefficient between social norm and entrepreneurial intention is 0.404 with p-value of $0.000 < 0.01$. Thus, null hypothesis (H₁) is accepted. There is moderate relationship between social norm and entrepreneurial intention keeping others variable constant. The finding of this research showed that there is significant positive relationship between social norm and entrepreneurial intention. This is supported by the studies conducted by, Ajzen, (1991); and (Wilson, Kickul and Marlino(2007);. Students with high social norm will have greater entrepreneurial intention.

4.4.3. Multiple regression between Entrepreneurial Intention and all main dimension variables

The overall regression model indicates p-value is equal to 0.000 that means the independent variables (Entrepreneurship Education, Perceived Government Policy, Perceived Access to Finance and social norm) are very important to create an entrepreneurial intention in this study that conducted on PHEI students. This indicated that it is difficult for PHEI graduate students to think to be an entrepreneur without these dimension variables according to this research study. And also the dependent variable (entrepreneurial intention) has a positive relationship with all independent variables (Entrepreneurship Education, Perceived Government Policy, Perceived Access to Finance and social norm).

Table 27: Multiple regression between Entrepreneurial Intention and Entrepreneurship education, perceived access to finance, perceived gov't police and social norm

Overall regression model					
Sources	SS	Df	MS	F	Sig.
Regression	19.113	4	4.778	32.209	.000 ^b
Residual	30.412	205	.148		
Total	49.524	209			
Variables	Unstandardized Coefficients		tcall		Sig.
	B	Std. Error			
(Constant)	-.337	.211	-1.600		.111
Social norm	.120	.078	1.551		.0123
Perceived Government Policy	.054	.046	1.164		.0246
Perceived Access to Finance	.494	.070	7.065		.000
Entrepreneurship Education	.251	.073	3.415		.001

From the multiple linear regression coefficients we understood that as perceived access to finance facility increases the entrepreneurial intention creativity increases more when compared to others listed dimensions. Similarly, Entrepreneurship Education dimension has great impact when compared to social norm and perceived government policy in this study.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusions

This study tried to investigate the factors affecting entrepreneurial intention of undergraduate students in private higher education institution at Assela town. Most respondents replied that they would like to start their own business after graduation, but in reality one could observe that most Ethiopian graduates of higher education look for other careers than starting their own business. Based on the finding of frequency analysis, majority of the respondents prefer to pursue entrepreneurship right after graduation.

As per the responses of the respondents, most of the respondents replied that the reason that motivates them to start their own business was to be the need for independence. That is they wanted be their own bosses. On the other hand to help in creating employment was considered as the least important reason among the respondents. That is the culture of valuing creating employment to the society did not yet developed.

The major factors that hinders the starting of new business is lack of access to finance which was followed by lack of business support in terms of business counseling, the problems that arise from the government regulations and lack of education and training which is low level of understanding towards the concepts of business ownership. While only few of them replied that the problems that arise from social attitude towards youth entrepreneurship and risk of loss attached to it as a major problem.

This study has shown that, family background has an influence on the student's future career that is whether they have to start their own business or pursue other jobs. Based on the finding of mean score of the variables, the mean score of entrepreneurial intention was above midpoint of likert scale. This means that most students have willingness to pursue entrepreneurship as their future career choice in the future. The mean score of entrepreneurship education was above midpoint of likert scale. This implied that entrepreneurship education is needed for students to pursue entrepreneurship as their career choice in the future.

The mean score of Perceived access to finance was below midpoint of likert scale. This mean that there is a problem of financial accessibility for starting new business as it was perceived by respondents. The mean score of perceived government policy is below midpoint of likert scale.

This means that the government policy is not favorable for new business formation as it was perceived by respondents. The mean score of social norm is above midpoint of likert scale. This means that society exerts pressure to students to pursue entrepreneurship as their career choice.

The significant difference in entrepreneurial intention was found between male and female students. Accordingly, male students will exhibit higher level of entrepreneurial intention than female counter parts. The significant difference in entrepreneurial intention was found between students from business family background and non-business family background. The finding indicated that students from business family background have higher entrepreneurial intention than non-business family background. This means that Students whose families have business background is more likely to start a business in the future as compared to those whose family had no business background.

This study showed that entrepreneurial intention between students those had studied entrepreneurship education had significant influences on students' career choice. The finding of the study showed that there was significant positive relationship between entrepreneurship education and entrepreneurial intention of the PHEI students. This means that Students with strong entrepreneurship education had greater entrepreneurial intention.

The finding of the study also indicated that there was no significant positive relationship between perceived access to finance and entrepreneurial intention. This means that students with high perceived access to finance had greater entrepreneurial intention. The finding of the study illustrated that there was significant positive relationship between perceived government policy and entrepreneurial intention. This implies students with high perceived Government policy had greater entrepreneurial intention. This study illustrated that there was significant positive relationship between social norm and entrepreneurial intention. Thus, students with high social norm had greater entrepreneurial intention. From the multiple linear regression analysis the independent variables (Entrepreneurship Education, Perceived Government Policy, Perceived Access to Finance and social norm) had positive relationship with dependent variable (entrepreneurial intention).

5.2. Recommendations

Based on the findings of this study the following recommendations are forwarded to promote the entrepreneurial intentions of students:

- ❖ The need to have a concerted effort by the PHEI authorities to enhance the entrepreneurial intention of PHEI students via different mediums such as seminars, training courses or similar hands on experience.
- ❖ Promoting Entrepreneurship education is crucial in assisting young people to develop entrepreneurial skills, attributes and behaviors as well as to develop enterprise awareness, to understand and realize entrepreneurship as a career option. Entrepreneurship education is not only a means to foster youth entrepreneurship and self-employment but at the same time to equip young people with the attitudes and skills necessary to cope with the uncertain employment paths of today's societies.
- ❖ Improving access to finance/ facilitating debt financing for young people/.
- ❖ Improving the administrative and regulatory environment for debt fiancé. For example, this can be done by strengthening the micro finance institutions to provided start up capitals for the young people who are leaving higher educations.
- ❖ Developing and implementing youth entrepreneurship policies by concerned government agencies so as to make conducive environment for the students who are leaving in various private and public higher educational institutions to consider starting up a business as one alternative to looking for employment. In addition, governments should encourage the young business starters by providing subsidies of different types, for Example, tax exemption in the early days of the business, provision of working space free of lease, and the like.
- ❖ Giving a better media coverage on entrepreneurship. Various medias (TV, Radio, Newspapers, Magazines, etc.) can play a crucial role, in stimulating the youth towards entrepreneurship through Inviting successful business people and presenting their success stories.
- ❖ The PHEI should have some programs such as entrepreneurship training to encourage the female students to think about their entrepreneurial career as an alternative. Those PHEI should also cooperate with some of the public sectors agencies that foster female entrepreneurship.

- ❖ Non business family background students have lower entrepreneurial intention than business family background students. Therefore, specific intervention program such as seminars and experience sharing program should be done to improve, entrepreneurial intention among non-business family students.
- ❖ The PHEI should revise entrepreneurship course in terms of its content, teaching methods etc, and design effective course that can make significant contribution to entrepreneurial intention of students.
- ❖ The course of entrepreneurship should be included in every syllabus across all departments
- ❖ Even though, significant positive relationship was found between perceived access to finance and entrepreneurial intention, the students' perception towards access to finance for starting new business was found negative. Therefore, work should be done to change this negative perception.
- ❖ The entrepreneurship club should be established as center of experience sharing between students and society at large.
- ❖ Promoting an entrepreneurial culture among students/young people through:
- ❖ Understanding cultural influences on entrepreneurship and assessing the attitude, awareness and aspirations of young people towards it. [Conducting research].
- ❖ Promotion of role models.
 - Successful social or private, youth or adult entrepreneurship are probably the best ambassadors for promoting entrepreneurship among young people. By delivering an image of independence, successes and achievement they can motivate students/young people to consider and explore entrepreneurship and self-employment. The more the young people know successful entrepreneurs, the more likely he/she might become personally interested in starting a business because they have role models to follow.
- ❖ The graduates should be encouraged in terms of offering financial and necessarily infrastructure supports by government.
- ❖ Educators should work on career advisor service to promote entrepreneurship as career choice of students.

REFERENCES

- Ahl, H. (2006). Why research on women entrepreneurs needs new directions. *Entrepreneurship Theory and Practice*, Vol. 30, pp.595–621.
- Ajzen, I. (1991).The theory of planned behavior: Organizational behavior and human Decision Processes, Vol.50 pp.179 - 211.
- Aldrich, H.E. & Cliff, J.E. (2003), The pervasive effects of family on entrepreneurship: towards a family embeddedness perspective, *Journal of Business Venturing*, Vol. 18, pp. 573-596.
- Arrhenius-Antonio (2004), *Entrepreneurship: A Survey of The Literature*, Working Paper of European Commission, Luxembourg.
- Bagozzi,R., Baumgartner, H., and Yi, Y.(1989).An investigation into the role of intentions as mediators of the attitude behavior relationship. *Journal of Economic Psychology*, 10:35-62.
- Baharu Kemat. (1994) new business start- up and subsequent entry in to self- employment. *Journal of Business Venturing*,7:49-53
- Bandura, A. (2001). Social cognitive theory: An agentic perspective. *Annual Review of Psychology*, 52(1): 1-26
- Bird, B.J (1988).Implementing entrepreneurial ideas: The case for intention. *Academy of Management Review*, Vol. 13(3) , pp.442-453
- Bird, N.F and Katz, M.O (1992), Competing Models of Entrepreneurial Intention, *Journal of Business Venturing*, Vol. 5, pp 117-132.
- Boden, R. J., Jr.,&Nucci, A. R. (2000). On the survival prospects of men's and women's new business ventures.*Journal of Business Venturing*, Vol. 15, pp. 347–362.
- Brush, C. G., Carter, N. M., Gatewood, E. J., Greene, P. G., & Hart, M. M. (2006). Growth oriented women entrepreneurs and their businesses: A global research perspective. Cheltenham, UK: Edward Elgar.
- Brush, C.G. (1992).Research on women business owners: Past trends, a new perspective and future directions, *Entrepreneurship Theory and Practice*, Vol. 16, No. 4, 5–30.
- Bryman, A. 2004.*Social research methods*.2nd ed. Oxford: Oxford University Press.
- Busenitz,L.W.,Gomez,C. andSpencer,J.W(2000).Country institutional profiles: Unlocking entrepreneurial phenomena. *Academy of Management Journal*, 43(5):994-1003.

- Carr, J.C. & Sequeira, J.M. (2007), Prior family business exposure as intergenerational influence and entrepreneurial intent: A theory of Planned Behavior approach, *Journal of Business Research*, Vol. 60, pp.1090-1098.
- Clark, B.W., Davis, C.H. and Harnish, V.C.(1984). Do courses in entrepreneurship aid in new venture creation? *Journal of Small Business Management*, 22(2), 26-31.
- Crant, M.J. (1996). The proactive personality scale as a predictor of entrepreneurial intentions. *Journal of Small Business Management*, Vol. 34, No.3, pp.42-49.
- Davidsson, P. (1995): "Determinants of entrepreneurial intentions", Jnkping International Business School (JIBS) Paper prepared for the RENT IX Workshop, Piacenza, Italy. *Entrepreneurship Theory and Practice*, Vol. 13, No. 1, pp. 7-13.
- DawitEshetu (1999): from bread-winning to money making: individual and social factors behind successful entrepreneurship.
- Dell, M. S. (2008). An investigation of undergraduate student self-employment intention and the impact of entrepreneurship education and previous entrepreneurial experience. Doctor of Philosophy, School of Business University of The Australia.
- Delmar, F. & P. Davidsson (2000): Where do they come from? Prevalence and characteristics of nascent entrepreneurs, *Entrepreneurship and Regional Development*, 12(1), 1 - 23.
- Fay, M., & Williams, L.(1993). Gender bias and the availability of business loans. *Journal of Business Venturing*, Vol.8, pp.363–376.
- Fleming P. (1994). The role of structured interventions in shaping graduate entrepreneurship, *Irish Business and Administrative Research*, 15, 146-157.
- Fogel, G.(2001). An analysis of entrepreneurial environment and enterprise development in Hungary. *Journal of Small Business Management*, 39(1), 103-109.
- Fridoline W. (2009), *Entrepreneurship Proclivity Today: An exploratory study on Students entrepreneurship intention*, Master Thesis in Business Administration University of Agder Faculty of Economics and Social Sciences.
- Gartner, W. B., Shaver, K. G., Gatewood, E., and Katz, J. A. (1994). Finding the Entrepreneur in entrepreneurship: *Entrepreneurship: Theory & Practice*, 18(3), 5-9.
- Gelderen, M., M. Brand, M. Praag, W. Bodewes, E. Poutsam & A. Gils (2008): "Explaining Entrepreneurial Intentions by Means of Theory of Planned Behaviour", *Career Development International*, 13(6), 538 - 559.

- Getinet Haile (2005). The nature of self employment in urban Ethiopia: unpublished.
- Ghosh, B.N. 1982. Scientific methods and social research. New Delhi: Sterling Publishers.
- Gifford, S. (1992), Allocation of Entrepreneurial Attention, *Journal of Economic Behavior And Organization*, 19. pp 265-283..
- Greene, F.J. 2005, Youth entrepreneurship: latent entrepreneurship, Market failure and enterprise support, centre for Small and Medium sized Enterprises, Warwick Business School.
- Grilo, I. and Thurik, A.R. (2005). "Latent and Actual Entrepreneurship in Europe", *International Entrepreneurship and Management Journal*, 1(4), pp. 441-459.
- Guarcello, Lorenzo; Lyon, Scott; Rosati, Furio (2008): Child Labor and Youth Employment in Ethiopia, in: Garcia, Marito; Fares, Jean (eds.): *Youth in Africa's Labor Market*, World Bank, 181-223.
- Gupta, V. K., Turban, D. B., & Bhawe, N. M. (2008). The effect of gender stereotype activation on entrepreneurial intentions. *Journal of Applied Psychology*, Vol. 93, pp. 1053–1061.
- Hair, J. F., Jr., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis: A global perspective* (7th ed.). Upper Saddle River, New Jersey: Pearson Education, Inc.
- Hamidi, D. Y., Wennberg, K., and Berglund, H. (2008). Creativity in entrepreneurship education. *Journal of Small Business and Enterprise Development*, 15(2), 304-320.
- Hurry, C. (2007). Overcoming Entrepreneurship development Constraints: the case of Bangladesh. *Journal of Enterprising Communities, People and Places in Global Economy* 1(3):240-251.
- Katz, J., and Gartner, W. (1988). Properties of Emerging Organizations. *Academy of Management Review*, 13, 429 - 441.
- Kirzner, L.M. et al., (1979), The Role of Entrepreneurship and Marketing In Established Firms, *Industrial Marketing Management*, 17, pp 337-346.
- Klapper, R. (2004): "Government goals and entrepreneurship education – an investigation at a Grande Ecole in France", *Education and Training*, Vol. 46 Iss: 3, pp. 127 – 137.
- Kolvereid, L. (1996). Organizational employment versus self-employment: Reasons for career choice intentions. *Entrepreneurship: Theory and Practice*, 20(3), 23-31.
- Kolvereid, L. (1996): Prediction of Employment Status Choice Intentions, *Entrepreneurship Theory And Practice*, Volume 21(1), pp 47-57.
- Kothari, C.R. 2004. *Research methodology: methods and techniques*. Jaipur: University of Rajasthan.
- Krueger, N.F., M.D. Reilly and A.L. Carsrud (2000), Competing Models of Entrepreneurship Intentions, *Journal of Business Venturing* 15(5) pp. 411-432.

- Marlow, S., & Patton, D. (2005). All credit to men? Entrepreneurship, finance, and gender. *Entrepreneurship Theory and Practice*, Vol.29, pp.717–735.
- Matthews, C. H.; Moser, S. B. (1995) “Family Background and Gender: Implications for Interest in Small Firm Ownership”. *Entrepreneurship and Regional Development*, vol 7,
- Mazzarol T, Volery T, Doss N, Thein V (1999), Factors influencing small business startup, *International Journal of Entrepreneurial Behavior and Research*, 5, 2:48-63.
- Miller, B. K., Bell, J. D., Palmer, M., and Gonzalez, A. (2009). Predictors Of Entrepreneurial Intentions: A Quasi-Experiment Comparing Students Enrolled In Introductory Management And Entrepreneurship Classes. *Journal of Business Entrepreneurship*, 21(2), 39-62.
- Peterman, N.E. and Kennedy, J. (2003). Enterprise education: Influencing students' perceptions of entrepreneurship. *Entrepreneurship: Theory and Practice*, Vol.28, No.2, pp. (129 – 144).
- Phan, P. H., P. K. Wong & C. K. Wang (2002): Antecedents to Entrepreneurship Among PHEI Students in Singapore: Beliefs, Attitudes and Background, *Entrepreneurship: Theory and Practice*, 10(2), 151-174.
- R, B. & H. P (1986): The Psychology of the Entrepreneur, in *The Art and Science of Entrepreneurship*, ed. by D. Sexton & R. Smilor, S. 25-48. Cambridge, MA: Ballinger Publishing.
- Sounders, M., Lewis, P., & Thornhill, A. (2007). *Research methods for business students*. (5th ed.). England: Prentice Hall. Chapter 5.
- Tam, H. W. (2009). How and to What Extent Does Entrepreneurship Education Make Students More Entrepreneurial? A California Case of the Technology Management Program. PHEI of California, Santa Barbara.
- Tandon, B.C. 1979. *Research methodology in social sciences*, Allahabad: Chaitanya Publishing House.
- Tervo, H. and M. Haapanen (2007), The nature of Self-employment: how does gender matter? *International Journal of Entrepreneurship and Small Business* 9(3):349-371.
- Thompson, E.R. (2009), “Individual entrepreneurial intent: construct clarification and development of an internationally reliable metric”, *Entrepreneurship Theory and Practice*, Vol. 33 No. 3, pp. 669- 94.
- Tkachev, A. and Kolvereid, L. (1999). Self employment intentions among Russian students. *Entrepreneurship and Development*, 11(3), 269-280.
- Wang, C.K. and Wong, P.K. (2004), “Entrepreneurial interest of university students in Singapore”, *Technovation*, Vol.24 No.2, pp.163-72

- Warneryd, A. and Foley, J. (1987). Creating Enterprising Communities, Institute of Public Policy Research and New Economics Foundation.
- Welter, F., Smallbone, D., & Isakova, N. (2006). Enterprising women in transition economies. Aldershot, UK: Ashgate..
- Yamane, T. (1967). Statistics, An introductory Analysis (2nd ed.). New York: Harper and Row.
- Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2010). Business research methods (8th ed.). New York: South-Western/Cengage Learning.

APPENDICES

APPENDIX A ARSI UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS DEPARTMENT OF MANAGEMENT (MBA PROGRAMME)

Questionnaire

Thesis title: “*FACTORS CONTRIBUTING TO ENTREPRENEURSHIP INTENTION OF GRADUATE STUDENTS*” Though the significant role played by entrepreneurship in driving economic development and job creation is increasingly understood, there has been little effort to look at it from a youth perspective. When it comes to young people, they are mostly following the general adult population, failing to realize their particular entrepreneurial potential and talents as well as their critical contribution to economic and social development.

This questionnaire is aimed at identifying the factors that may affect entrepreneurial intentions of graduate students and the reasons why young people restrain from starting and running a business and at the same time to determine incentives that make starting a business a viable alternative for youth.

Dear respondent

This questionnaire is designed to obtain information about your perceptions, opinions, and attitudes towards starting and running your own business. Your cooperation to respond this questionnaire contributes a lot to successful accomplishment of the study. Thus, please, devote your time to fill it and put your responses objectively.

Thank you very much for your participation.

Your time and opinions are greatly appreciated!

General information:

- ☞ You needn't write your name on any page of this questionnaire.
- ☞ Please try to answer all questions.

Instruction: Indicate your response either by circling the letter which best represent your choice or by giving short answer on the space provided.

Part I: Personal Data

1. Gender: Male ☐ Female ☐
2. Age group: Below 25 ☐ 25 - 35 ☐ 36 – 45 ☐ Above 45 ☐
3. Name of your department: _____.
4. Have you taken any entrepreneurship course?
Yes ☐ No ☐
5. Has anyone from your parents own business?
Yes ☐ No ☐

Part II: Ranking questions about the reason & failure for starting up your own business

1. Do you want to start your own business after graduation?
Yes ☐ No ☐
2. For above question 1, if your answer is “Yes”, Why do you want to start your own business? According to their significant to you, Please rank them first (1), second (2), third (3)...etc.

Rank _____	Starting up a business is the only chance to earn money for me.
Rank _____	To be my own boss/to be independent
Rank _____	To change and improve the society.
Rank _____	To continue with family tradition, i.e. my families are businesspeople.
Rank _____	To do what I really want to do.
Rank _____	To gain reputation / recognition from the society.
Rank _____	For financial freedom.

Rank _____ To help in creating employment

3. In your opinion, why do college graduates fail to start their own business? Please rank them first (1), second (2), third (3)...etc.

Rank _____ Access to finance, i.e. there is a clear lack of access to start up financing for young people.

Rank _____ Entrepreneurship Education, skills and training, i.e. Education and training does not encourage young people to engage in business and to develop good business ideas.

Rank _____ Business support, i.e. there is clear lack of business support in terms of business counseling and access to working space.

Rank _____ Social/cultural attitude towards youth Entrepreneurship is not appreciated and promoted enough by society.

Rank _____ Government regulations, i.e. excessive administrative and bureaucratic burdens impede youth entrepreneurship.

Rank _____ High risk of conducting business, i.e. Government employment has security.

Instruction: Please read the statement carefully, and indicate your level of agreement from the given five alternatives by placing only tick mark “✓” in the box to the corresponding item that best represents your perceptions.

Part III: Factors that influence students' intentions towards Entrepreneurship

No.	Items	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	Entrepreneurship Education					
1	Entrepreneurship education & training on entrepreneurship encouraged me to develop creative business idea for being an entrepreneur.					
2	Entrepreneurship course & training on entrepreneurship should be made compulsory in order to stimulate entrepreneurial spirit in campus.					
3	Entrepreneurship education & training on entrepreneurship provides the necessary skills and knowledge about entrepreneurship.					
	Perceived Access to Finance					

1	Banks in our country are ready to give credit for new business.					
2	Financial institutions are ready to give the required finance to start new business.					
3	It is not difficult to start one's own business due to the availability of financial resources.					
4	It is easy to get startup capital in our country.					
Entrepreneurial Intention						
1	My professional goal is to become an entrepreneur.					
2	I have a strong intention to start my own business.					
3	I would rather be my own boss to have a secure job.					
4	I will make every effort to start and run my own business.					
5	I prefer to be self employed/entrepreneur rather than to be an employee in an organization.					
6	I will definitely choose a career an entrepreneur.					
7	I can only make good money if I am my own boss.					
8	I am determined to create a business venture in the future.					
Perceived Government Policy						
1	Government policy, rule and regulations are favorable to start my own business/company.					
2	There are sufficient subsidies available for new business in our country.					
3	Our government is employing policies and procedures encouraging new venture creation.					
Social norm						
1	My friends would approve my decision to start a business.					
2	My closest friends and classmates think I should start my own business.					
3	My family encourages me to set up my own business					
4	My friends value entrepreneurial activity above other activities and careers.					
5	Entrepreneurs have a positive image with our society.					

Thank you