

Entrepreneurial Intention among Undergraduates: Review of Literature

Sivarajah, K^a and Achchuthan, S^b

^a University of Jaffna, e-mail: k_sivarajah@yahoo.co.uk

^b University of Jaffna, e-mail: achchu2009@gmail.com

Abstract

Purpose of this study is to formulate the unique model to the entrepreneurial intention among undergraduates. We reviewed the existing studies in the field of entrepreneurial intention in the Asia, Europe, Africa and cross cultural perspective. Based on the review of literatures in the entrepreneurial intention, we have formulated the unique model as entrepreneurial Intention for entrepreneurial Career. Based on the Model creation, the entrepreneurial motivation is the recognized as the key fact to enhance the entrepreneurial intention among undergraduates in the globalized level. Meanwhile, this model is unique and highly suitable to the Asian perspective. Researchers or scholars in the field of entrepreneurship can utilize this model to predict the influence of the entrepreneurial motivation on the entrepreneurial intention among undergraduates.

Key Words: Entrepreneurial Motivation, Entrepreneurial Intention, and Undergraduates.

1. Introduction to the Entrepreneurship

Entrepreneurship studies have been influenced by the economics, psychology, sociology and strategic management literatures providing established theoretical frameworks and Methodological tools (Gustafsson, 2004). This multi-disciplinary approach is not surprising given the complexity of the phenomenon entrepreneurship. Chandler and Lyon (2001) saw the multi disciplinary approach to entrepreneurship in a positive light suggesting this is one of the strengths of the field of entrepreneurship as it considers and borrows frameworks and methodologies from other legitimate social science. Despite past controversy over definition, the field is maturing and it is widely accepted that there are three underlying approaches in the entrepreneurship literature (Landstrom, 2005): (1) entrepreneurship as a function of the market, the central theme is the economic function of the entrepreneur rather than his or her personality type (Hebert & Link, 1989). In this context the entrepreneur acts as an agent, gathering information and allocating resources to profit from the opportunities arising from the gaps in supply and demand in the market (2) entrepreneurship as a process, Defining entrepreneurship in terms of the entrepreneurial process has provided a popular context for entrepreneurship research and is represented in the literature through two different approaches the first one is that the sequence of events related to new venture creation and the second is that the process involving opportunity identification and evaluation and (3) the entrepreneur as an individual, Past research about the individual entrepreneur can be divided into three distinct streams (I) trait orientation, The trait approach to entrepreneurship has been pursued by many researchers in an attempt to separate entrepreneurs from non-entrepreneurs and to identify a list of character traits specific to the entrepreneur (McStay, 2008), (II) behavioral perspectives, The entrepreneur has been held in high esteem as an individual with the ability to recognise, exploit and act on profit opportunities not seen by others. This is a behavior that intrigues researchers seeking to understand more about new venture creation (Bygrave & Minniti, 2000) and (III) the cognitive processes. Research into the cognitive processes of entrepreneurs attempts to understand more about the how entrepreneurs think (Mitchell et al., 2007) and considers the ways entrepreneurs process information (Baron, 2004). Entrepreneurial cognition, People sort and make sense of all the information they perceive through cognition. Perwin (2003) defined cognition as: "The person's thought processes, including perception, memory, and language – the ways in which the organism processes information." Through this process people construct cognitive schemes (Kelly, 1955), sometimes referred to as mental maps (Senge, 1990). Studying the cognitive process and the cognitive schemes is important, because it helps to understand what we perceive as relevant in new knowledge, how we process information and how we structure it (Krueger, 2007). Studying entrepreneurial cognition includes studying how entrepreneurs use cognitive maps to process information relating to starting and running a business (Mitchell et al. 2007). And Entrepreneurial cognition is believed to be the explanation as to why some people become entrepreneurs while others do not, and why some people recognize opportunities which other fail to see (Shane & Venkataraman, 2000).

2. Approaches of Entrepreneurship

According to the McStay (2008), Previous studies about entrepreneurship can be divided in to three distinct approaches 1) Trait approaches, Entrepreneurs are assumed to have certain personality traits which made them

unique such as need for achievement, need for power, need for affiliation, internal locus of control etc; 2) Behavioral approaches, The entrepreneur as a creator of an organization, the importance of networks, teams, financing and so on, mainly the entrepreneur has been held in high esteem as individual with the ability to recognize, exploit and act on profit opportunities not seen by others 3) Cognitive approaches, Entrepreneurial perception, how the entrepreneurs interpret and make sense of the environment, a fairly new approach, which still is growing.

Trait Approach

The trait approach to entrepreneurship has been pursued by many researchers in an attempt to separate entrepreneurs from non-entrepreneurs and to identify a list of character traits specific to the entrepreneur. There is no agreement however on the number of traits, specific to the entrepreneur, or their validity (McStay, 2008). Dej (2007) pointed out the personal characteristics of the entrepreneurs that have often been related to entrepreneurial intentions and entrepreneurial success. Such as 1) Need of achievement, Denotes individual's need to strive hard to attain success ; 2) Locus of control , One aspect of the cognitive style which represents the extension to which individual feels in charge ; 3) Risk taking, Describes the individual cognitive style with respect to taking risks ; 4) Tolerance of ambiguity , Describes one's ability to make decision with incomplete information ; 5) Creativity, Describes tendency to experimentation, trial and error, lateral thinking ; 6) Need of autonomy, Represents one's strive to be independent and having control ; 7) Self-efficacy, Describes optimistic self-beliefs to cope with a variety of difficult demands . In summary, the trait approach to entrepreneurship has made an important contribution to the previous studies even though; weak direct relationships have been found between the traits of entrepreneurs and non-entrepreneurs in the previous studies (Brockhaus, 1982). Therefore, the psychological approach in entrepreneurship studies has moved away from the investigation of personality traits, to the exploration of behavior, motivation and cognition (Shaver and Scott, 1991).

Behavioral Approaches

The entrepreneur has been held in high esteem as an individual with the ability to recognise, exploit and act on profit opportunities not seen by others. This is a behavior that intrigues researchers seeking to understand more about new venture creation (Bygrave and Minniti,2000). Whilst the trait approach to understanding entrepreneurship deliberated about who is an entrepreneur, the cognitive approach considers the antecedents to entrepreneurial behavior, and the behavioral approaches consider what it is that entrepreneurs do. The focus of the behavioral approach in entrepreneurship is to understand the entrepreneur's role in the complex process of new venture creation. Gartner (1988) asserted that researchers need to observe entrepreneurs in the new venture formation process and describe specifically the roles and activities undertaken.

Entrepreneurial research switched from the trait approach to the behavioral approach (Gartner, 1988). Gartner suggested that research should focus on what an entrepreneur does and not who he is, e.g. the entrepreneurs as a creator of a new organization. The focus thus changes from person to process. But as Shaver and Scott (1991) concluded, it is not possible to ignore the person totally. It is the entrepreneur who makes things comes together! And Limitations were also found with this approach and there was a marked shift from the behaviorist to the cognitive perspective (Good and Brophy, 1990) which included unobservable behaviors and concepts related to perceptions and motives.

Cognitive Approaches

Cognitive measures are based on unobservable behavior and are useful measures in understanding more about the human mind (Good & Brophy, 1990). Researchers are confident that cognitive models provide stronger predictive power than the trait approach in entrepreneurship research (Gartner,1985). Research into the cognitive processes of entrepreneurs attempts to understand more about the how entrepreneurs think (Mitchell et al., 2007) and considers the ways entrepreneurs process information (Baron, 2004). One of the questions driving this approach is - Why do some individuals become entrepreneurs while others equally or more talented do not? The underlying assumption is that entrepreneurs think and behave in a distinctive manner different to non-entrepreneurs (Kirzner, 1979). First, Entrepreneurs seek and recognise opportunities and then evaluate the risk versus the reward of new venture creation.

In this process entrepreneurs not only use affective judgment (their emotive responses and feelings), they also use cognitive reasoning (their beliefs, thoughts and perceptual skills) to make decisions on whether or not to act.

The cognitive approach, one of the newer approaches of the field, puts the focus back on the person again. It differs from the trait approach in that the emphasis is not on the personality of the entrepreneur but on the entrepreneurial perception. Therefore, it is about the person, not about the personality (Shaver & Scott, 1991). The cognitive approach is consequently interested in how the external environment conspires with internal factors and results in a notion of reality. In a larger perspective the field of entrepreneurial cognition research is still in its infancy (Mitchell et al. 2007). However, it has turned out to be a fruitful approach worth exploring. Despite its infancy the field has managed to produce a vast number of studies (McStay, 2008).

3. Entrepreneurial Intention among Undergraduates in Different Cultural Perspective

IN the Asian context,

In China, Moy and luk (2008) have followed the study on exploring the career choice intent of Chinese graduates by extending a psychologically based model of new-venture creation that encompasses people, process and choice. This integrative model helps to understand the intricacy of entrepreneurial career choice intent in developed as well as in developing economies. The study showed that Gender and parental role had a positive effect on career choice intent, with entrepreneurial self-efficacy significantly and partially mediated their relationship. Entrepreneurial alertness was found to moderate the relationship between some self-efficacy sub items and career choice intent. Furthermore, they suggested that Training on improving the responsiveness and alertness to entrepreneurial opportunities will help foster an entrepreneurial culture among graduates.

In the Malaysian perspective, Akmaliah and Hisyamuddin (2009) concluded that Malaysian secondary school students were favorable towards becoming self-employed but they don't have enough confidence to be an entrepreneur. which is reflected by low correlation value between attitudes and self-employment intentions. The students have a high perception regarding the attitudes towards self-employment but they still have low perception on entrepreneurial self efficacy and interest. This may indicate that secondary school students prefer other career since they perceived entrepreneurship is not an interesting profession. This is because the implementation of entrepreneurship education in academic secondary school is not enough to make entrepreneurship as a favorite profession among students. They also concluded that subjective norm and community support has a profound influence towards entrepreneurship as a career choice, which means that the more favorable the attitude and the subjective norm with respect to becoming self-employed the stronger the individual intention to become self-employed and the more positive community support received by the student the higher will be their entrepreneurial intention. Finally, students with positive self-efficacy and entrepreneurial interest will also have stronger intention to be self-employed. Furthermore they suggested that Students should be exposed to educational system which emphasized on developing entrepreneurial skills and knowledge. Entrepreneurial education should highlight on perceived feasibility in order to create interest in becoming entrepreneur ; Policy makers should develop youth enterprise program as part of entrepreneurship education intervention Program ; Training should be given to entrepreneurship teachers to improve their teaching approaches; Specific intervention program need to be done to improve entrepreneurial self-efficacy and entrepreneurial Interest ; Entrepreneurship educators and government should team up in promoting and producing a good image of entrepreneurship as a career.

Ariff et al (2010) examined the relationship between attitudes, subjective norms and perceived behavioral controls on Malay students' intention to become entrepreneurs. The results indicated that attitude, subjective norms, and perceived behavioral control influenced their intention to get involved in entrepreneurship. Among the three intention determinants, perceived behavioral control emerged as the strongest factor that influenced entrepreneurial

intention. They further suggested that Theory of Planned Behavior model is well suited for research in entrepreneurial intention among students. However, the model can be further improved by considering other possible factors such as promotion. Promotional activities may influence attitude and behavior through the communication of information based on a particular view. Based on the findings, they recommend that the policy makers of institutions of higher learning and the community work together to inculcate entrepreneurship culture amongst Malay students.

Pihie (2009) conducted the study to determine university students' perceptions on entrepreneurial self- efficacy and entrepreneurial intention in Malaysia. Findings indicated that the students had moderate score on all constructs related to entrepreneurial intention and entrepreneurial self-efficacy in the aspects of management, financial and marketing. Moreover, students with positive entrepreneurial aspiration scored higher in entrepreneurship intention and self-efficacy which is significantly different from those who do not have positive aspiration. The students also scored moderately on attitudes towards entrepreneurial career and perceived behavioral control. The findings also indicated that those who perceived entrepreneurship need to be learnt at university have significantly higher mean score on attitudes towards entrepreneurial career as well as perceived behavioral control. Furthermore, Pihie (2009) suggested that to improve university students' entrepreneurial intention and self-efficacy, certain teaching strategies needed to be conducted and university policy makers should add more value to their graduates by incorporating the elements that enhance the development of entrepreneurial intention and self-efficacy in the aspects of management, financial and marketing competencies as a basis to choose entrepreneurship as a career choice.

In Pakistan, Mushtaq, Hunjra, Niazi, Rehman and Azam (2011) examined to determine the entrepreneurial intention among those young of students who attended course on management and entrepreneurship . Ajzen's intention model was used to achieve the objective of the study. The findings proved that higher education grooms young graduates and prepared them for new venture creation and further confirmed that young graduates are more willing to form new businesses after gaining the relevant business and entrepreneurship education. And also they found that networking (Close family, friends & colleagues) and new venture creation are positively and significantly correlated. The networking helps young graduates to access information and other required assets to start their own business. The higher the rate of networking among students the greater will be the chance of new venture creation because they acquire whatever is necessary to start new business. Finally, they concluded that all variables, included in the study, play a vital role in new venturing and are significantly correlated to each other. Networking support, entrepreneurial capability, self-independence and self-reliance are also positively and significantly correlated with intention to venture creation.

In the European context, Leroy, Maes, Sels , Debrulle and Meuleman (2009) have conducted the study on gender effects on entrepreneurial intention among **Belgian undergraduates**. They suggested that important gender differences in the factors that shape entrepreneurial intentions. There seem to be important distinctions in the defining features of entrepreneurship of men versus women. Men seem to prefer entrepreneurship as a means of getting ahead and see financial restraints and creativity as important practical considerations in their decision to become an entrepreneur. Women seem to prefer entrepreneurship as a means of getting organized and see personal capabilities and know-how as important practical consideration in their decision to become an entrepreneur. Furthermore, women are more inclined to comply with social pressures than their male counterparts. Further they suggested that different variables may be important to understand what motivates or drives performance of male versus female entrepreneurs. As women value entrepreneurship more as a means of getting organized, outcomes such as work-family interference, personal health and perceived autonomy are more important indicators to evaluate their performance. This broadens the definition of entrepreneurial success to include the non-financial gains of being an entrepreneur. In turn, this raises important issues for the practice of stimulating entrepreneurial intentions. Men and women are to be treated as different target groups in raising entrepreneurial intentions. Stimulating female entrepreneurship may require offering different career reasons and training different competencies than those typically associated with male-dominated entrepreneurship. When both male and female career reasons and competencies are stimulated, the defining features of entrepreneurship may evolve over time to include both male and female aspects.

In Spain, Linan (2008) has studied the skill & value perception and entrepreneurial intention. He started the approach from Ajzen's theory of planned behavior to test the role of different perceptions on the individual's intention to become an entrepreneur. And the study has tried to test the possible influence of social and skills perceptions on the motivational factors determining entrepreneurial intention. He concluded that Entrepreneurial skills perceptions have a significant effect over the three motivational constructs considered (personal attraction, subjective norms and perceived behavioral control). Therefore, the developing skills as opportunity recognition, creativity, problem solving, leadership and communication, innovation and networking are needed for successful entrepreneurship. Further, he suggested that the inclusion of specific contents in the education system would be an obvious policy action. For the particular case of entrepreneurship education, these contents would be a very important complement to the more widespread business-plan course.

Solesvik (2007) has investigated the intentions to become an entrepreneur **among Ukrainian students**. The study draws on the theory of planned behavior (TPB), self-efficacy theory and risk taking research. It is concluded that individuals are driven to entrepreneurship by entrepreneurial self-efficacy, risk-taking propensity, attitudes, subjective norms, perceived behavioral control. Further he has found that a higher level of intentions to become an entrepreneur among students having entrepreneurial parents. This may be explained by higher perceived entrepreneurial self-efficacy among students having successful self-employed parents and possibility to join a family business.

In the African context, Maalu, Nzuve and Magutu (2010) have investigated the reasons for the creation of new enterprises and the entrepreneurial characteristics of those individuals responsible for the emergence of new firms in **Nairobi**. They pointed that The goals in entrepreneurial ability are influenced by factors such as: maximum utilization of own skills and talents; full control of own future; achievement of what one values personally; being "my own boss"; the freedom/opportunity to make own decisions; the opportunity to learn new things; financial security; performing challenging and exciting work; having peace of mind with a peaceful and stress-free life; allocation of enough free time for family, hobbies, leisure, and other interests; an opportunity to extend one's range of abilities, a goal to accumulate wealth; desire to live an adventurous and exciting life; the goal to start own business, striving for an idea to own business, an ultimate goal to be self employed and the wish to become an influential person to the future. Further they noted that the perception of individuals or students as entrepreneurs can be characterized with six perceptions: Believe that entrepreneurship is positively related to well being of the individual (Aspiration, comfortable running own business, lifestyle, commitment, entrepreneurship as a source of wealth and prosperity of the individual). Secondly, believe that there exist challenges in entrepreneurship (Financial challenges, high levels of education, luck, no support institutions or mentors, and skills deficiency). Thirdly, a belief in own destiny and being ready for change. Fourthly, believe about risk in entrepreneurship (financial failures). Fifthly, personal traits in entrepreneurship. Lastly, a belief that it is easy in becoming an entrepreneur.

In South Africa, Olufunso (2010) has studied the entrepreneurial intention of South African graduates as well as the motivators and obstacles to entrepreneurial intention. The findings showed that entrepreneurial intention is very low in South Africa. In addition, the motivators of entrepreneurial intention include employment, autonomy, creativity, macro-economy and capital. The obstacles to graduate entrepreneurial intention include lack of access to capital, lack of competency, government support, risk and the macro-economy. He suggested that Entrepreneurial education is needed to enhance skills and knowledge. Entrepreneurial skills include creativity, innovation, risk-taking and ability to interpret successful entrepreneurial role models and identification of opportunities. And also, It is recommended that university students should go for industrial attachments for at least a year during their study to gain valuable business and technical experience. Educational institutions should introduce and strengthen entrepreneurial education. When learners are oriented into entrepreneurship from an early age, it becomes easier to develop successful ventures. Further, Graduates should be encouraged to take entrepreneurship as a career rather than depending on government for limited job opportunities. In addition, excessive and over complex regulations should be loosened in the case of first time registration for business. This will encourage individuals or and graduating students to register for any kind of business he or she chooses to undertake. Entrepreneurship awareness day could be organized where individuals will be informed about how to register a business, what you need to have in order to be registered and how much it costs to register a business.

In the Cross Cultural Perspective, Plant and Ren (2010) compared the intentionality of students in graduate business programs **in the United States and China** toward becoming entrepreneurs. The findings have shown that although there is no significant difference in the two groups as a whole, there are subtle differences within the populations. First, males in China have a significantly higher intention toward self-employment than females. Second, entrepreneurial intentionality is stronger in the U.S. group than the China group for those who have had prior self-employment experience and when their background includes a family history of self-employment. However, when there is no history of family self-employment, the Chinese showed greater intentionality toward entrepreneurship. When considering the motivational dimension of entrepreneurial intentionality, there was a correlation between heightened perceived behavioral control levels and higher entrepreneurial intentionality. The findings also showed that there is a positive relationship between intrinsic challenge characteristic and entrepreneurial intent and a negative relationship with enjoyment. For extrinsic motivation, a positive relationship is found between the compensation characteristic and entrepreneurial intent, while the outward characteristic is negatively correlated. In conclusion, They stated that each economy is generating a group of entrepreneurs and that their intentionality is very similar. However, there are still cultural and environmental aspects to the decision-making process in each location. Further longitudinal research is needed to see how the intentionality changes over time as Chinese regulations and society change to permit more self determination, while those based in the United States already have the opportunity to move away from corporate employment and create their own businesses in the future.

Fitzsimmons and Douglas (2005) have approached the study on entrepreneurial attitudes and entrepreneurial intentions among students following master of business administration programs **in India, China, Thailand and Australia**. They indicated that entrepreneurial attitudes influence an individual's assessment of career attractiveness. Entrepreneurial attitudes and to some extent human abilities were also found to be associated with an individual's entrepreneurial intentions. Cross-cultural differences were also found in entrepreneurial attitudes and entrepreneurial intentions. The relative importance of entrepreneurial attitudes in career decisions was generally consistent across the four countries in the study, with ownership, income, independence, and risk being significant in explaining variance in career decisions. As expected, individuals desired more ownership, income, independence and less risk in choosing a career. Cross-cultural differences were also apparent on the emphasis that each sample placed on entrepreneurial attitudes. The Chinese and Thai samples were found to place the most emphasis on income while the Australian sample placed the least emphasis on income in their career decisions. This might indicate the relative importance on income in these countries if a reasonable quality of life is to be obtained. Australians with a higher per-capita income might well be expected to place less emphasis on income attitude in career decisions. Emphasis on independence was significant for all countries in the study with the Chinese placing the most emphasis on this attitude followed by Indians, Thais and Australians respectively. Risk was significantly related to career decisions for all countries in the study with Australians and Chinese being the most risk averse. In the cross country comparisons, only the differences between the Indians and Thais were found to be significant with the Indians being less risk averse than the Thais. In conclusion Fitzsimmons and Douglas pointed that entrepreneurial attitudes to ownership, income, independence, and risk and work effort are likely to be significant in explaining an individual's entrepreneurial intentions. And Cross-cultural differences were found in the emphasis individuals made on each of these attitudes.

4. Entrepreneurial Intention among Undergraduates in Sri Lankan Perspective

In the SriLankan context, Nishantha (2008) has followed the study on exploring the relationship existing between personality traits and socio-demographic background of business management undergraduates toward an entrepreneurial career (self employment intention).The respondents were assessed on three personality traits (risk taking propensity, internal locus of control and need for achievement), and three socio-demographic factors which are related to their personal background (Parents' occupation, gender and previous self employment experience). The results revealed that there is a significant relationship between personality traits and entrepreneurial attitude. At the same time, male students have more entrepreneurial motivation than female students. However, the contribution of other background factors (parents' occupations and self employment experience) for developing entrepreneurial intention among the business students is relatively low. Furthermore, Nishantha suggested that educators, policy

makers, and others wishing to enhance entrepreneurial activity should focus first on developing selected personality characteristics among the potential entrepreneurs.

Thrikawala (2011) concluded that the entrepreneurship is not very much preferred by the academics who are studying in different field and education levels in Sri Lanka. The study revealed that field of study, education level, gender and family business experience are significantly affect the intention in starting one's own business while the financial ability of the undergraduates' family is not related to their business interest. Furthermore, Thrikawala recommended to promote entrepreneurship and awareness of entrepreneurial opportunities among university students by conducting conferences, workshops and seminars. And he also suggested that it is important to upgrade the curriculums of the universities which will offer exposure for the students in small business such as discussing more real world cases at the class. Then it will increase the intention of undergraduates to start their own business.

Achchuthan and Nimalathan (2012 a) have approached the qualitative study on entrepreneurial intention of the management undergraduates in the University of Jaffna, Sri Lanka. Based on the findings, the entrepreneurial intention level of the management undergraduates was in the weakest level. There were so many barriers for the lowest level of intention, such as problems in the financial assistance, lack of infrastructure facilities, lack of technological facilities, lack of awareness in the entrepreneurial field, lack of support from governmental and nongovernmental organizations in the Jaffna district, cultural burdens, lack of research focus in the entrepreneurial field etc.

5. Entrepreneurial Motivation and Entrepreneurial Intention: Model Creation

Nuttin (1984) defined motivation as: "the dynamic and directional (i.e. selective and preferential) aspect of behavior. Traditionally, motives have been studied in order to answer three kinds of questions: (I) what activates a person, (II) what makes him chose one thing over another and (III) why do different people respond differently to the same stimuli. These questions give rise to three important aspects of motivation: activation, selection-direction, and preparedness of response (Perwin, 2003). Existing motivational theories can be divided roughly into drive theories and incentive theories. Drive theories suggest that there is an internal stimulus, e.g. hunger or fear, driving the person and that the individual seeks a way to reduce the tension.

The need for tension reduction thus represents the motivation (Festinger, 1957). Incentive theories on the other hand emphasize the motivational pull of incentives, i.e. there is an end point in the form of some kind of goal, which pulls the person towards it, such as achievement motivation. In other words, in drive theories the push factors dominate, while in incentive theories the pull factors dominate. The cognitive approach to personality psychology has traditionally emphasized the pull factors and the incentive nature of motives (Perwin, 2003). Furthermore, motivation can be intrinsic and extrinsic. Intrinsic motivation refers to a personal interest in the task, e.g. achievement motivation. Extrinsic motivation refers to an external reward that follows certain behavior (Perwin, 2003). Intrinsic motivations thus include a large proportion of self-development and self-actualization. Note however, intrinsic and extrinsic motivations are not mutually exclusive; one can be motivated by both for performing an act (Velnampy, 2008; Velnampy, 2009 ; Nuttin, 1984). Anyhow, In order to motivate employees for better organizational performance, it would be necessary to provide incentives and situational factors in such a way that their personal needs are integrated with organizational goals(Velnampy,2005).

As noted when looking at different kinds of motivations, we can understand a person's behavior only when we put it into a context. We have to look at how he perceives his initial position, i.e. his construction of the behavioral world, and what goals he sets. We can understand his motivation and behavior only in that context. In other words, the behavior or the motivation has to be put in relation to something else and this is exactly what Nuttin (1984) argues in his relational model of motivation. He suggests that we should study motivation in the context of the individual-environment relationship. How a person behaves and what is perceived as being motivated depends on the person's cognition of the environment and his interaction with it. Motives, goals and plans do not arise from empty nothingness; they are shaped by their interaction with the environment (Huuskonen, 1989).

Motivation, however, is not a static state: people's motives change throughout their life. Something which is started for one reason may continue for another. The importance and impact of goals has gained a lot of attention in motivational research (Locke & Latham, 2002). Being capable of changing goals and motives are in fact a way for people to adjust to changing situations. As Nuttin (1984) points out, motivation is shaped in the individual environment context. If environmental factors change individuals need to be able to alter their motives in order to cope with and make sense of the new situation.

The individual's decision to become an entrepreneur (self employment intention) is sometimes assumed to depend on personality traits: "If you have the proper personality profile, you will become an entrepreneur sooner or later". This is what Shaver & Scott(1991) called the "personological" approach, which seems to have proved largely fruitless in predicting start-up decisions by individuals (Liñán & Santos, 2007) .Therefore, the entrepreneurial behavior could be considered as a type of planned behavior for which the intention models are ideally convenient, In which planned behavior denotes that creating a new company requires time, involving both considerable planning and a high degree of cognitive processing (Krueger ,Reilly & Carsrud, 2000). Furthermore, Theory of Planned Behavior (TPB, Ajzen, 1991) has become the most frequently used theoretical framework in recent studies of entrepreneurial intention (Gelderen et al. 2006). In which, interaction between social and personal factors is focused, and also intention is considered as the function of the attitude towards the behavior, the subjective norm and the perceived control.

In the Sri lankan context, Achchuthan and Nimalathasan (2012 b) approached the study on the Entrepreneurial intention among management undergraduates. They stated that, the entrepreneurial motivation is the strategic tool to induce the entrepreneurial intention. They proposed the four key drives that energize one's intention toward the entrepreneurship, such as Desirability of Self employment, Feasibility of Self employment, Tolerance for Risk and Perceived Government and non government Support. Further, Nisantha (2008) proposed the Model of personality traits and socio demographic factors for entrepreneurial career. In which personality traits and socio demographic factors are concerned as the main factors to induce the entrepreneurial intention. And personality traits include (1) Need for achievement (Need for achievement is one of the strongest psychological factors influencing entrepreneurial behavior. It is believed that individuals with a high need for achievement has a strong desire to be successful and are consequently more likely to behave entrepreneurially. Furthermore, Individuals who have a strong need to achievement want to solve problems themselves, set targets and strive for these targets through their own efforts, demonstrate a higher performance in challenging tasks and are innovative in the sense in looking for new and better ways to improve their performance) ; (2) Internal locus of control, (While individuals with an internal locus of control believe that they are able to control life's events, individuals with an external locus of control believe that life's events are the result of external factors, such as chance, luck or fate) ; (3) Risk taking propensity, (His/Her orientation towards taking chances in uncertain decision-making contexts, the main factor in differentiating the entrepreneurs from employed workers was the uncertainty and risk taken by the former). It is believed that entrepreneurs prefer to take moderate risks in situations where they have some degree of control or skill in realizing a profit. Secondly, Socio demographic factors, which includes parents' occupation, gender, self employment experience. Furthermore, Nishantha (2008) concluded that combination of personality traits and socio demographic factors leads to self employment intention through the attitude toward entrepreneurship.

A study in the organizational perspective (Velnampy,2006), revealed that the perceived level of rewards among private sector employees is in high level. Employees give their importance to wages and salaries, retirement benefits, promotion, performance related pay, and challenging job. There is a significant difference between intrinsic and extrinsic rewards. All levels of employees in private sector most preferred to extrinsic rewards than the intrinsic rewards. The personal variables such as sex, marital status, age, education, status, monthly income, family size, employment status of the family, and total annual income of the family are found to be independent of the level of rewards. There is a significant difference on gender group, educational qualification, status, and monthly income on the perceived level of rewards.

Based on the Sri Lankan studies in the entrepreneurial intention, we framed the unique model to entrepreneurial intention. In which the entrepreneurial motivation is considered as the strategic tool to induce the entrepreneurial

intention among undergraduates. Meanwhile, personal demographical factor is considered as the moderating Variable.

Model of Entrepreneurial Intention for Entrepreneurial Career

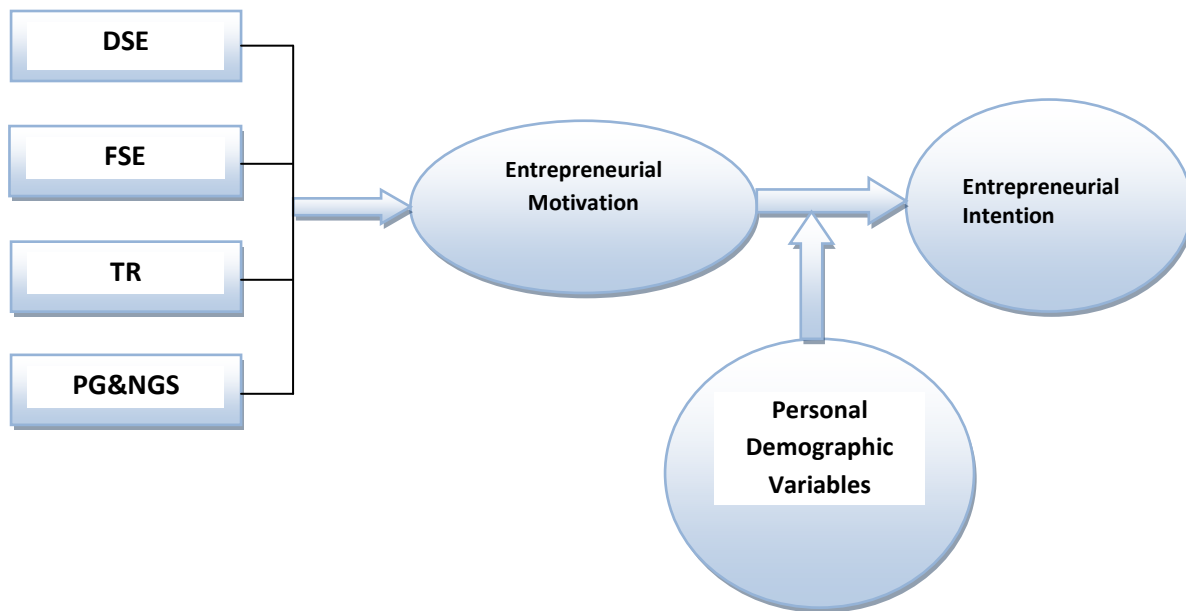


Figure 1. Model of Entrepreneurial Intention for Entrepreneurial Career

Source: Developed by Researchers

Where:

DSE: Desirability of self – employment

FSE: Feasibility of self employment

TR: Tolerance for risk

PG&NGS: Perceived government & non government support

This model of entrepreneurial motivation introduces new constructs and uniquely combines them in specifying that the entrepreneurial intention is a function of the Desirability of self – employment, Feasibility of self employment, Tolerance for risk and Perceived government & non government support. In which, personal demographical factors were used as a moderating variables (Gender, year of study and family income level).

According to Wang (2001), individual's Perception of feasibility of entrepreneurship is the key predictor variable to predict the self employment intention. Furthermore, Ummah (2009) pointed out the key factors to determine the feasibility of self employment among management undergraduates, such as self-efficacy, business knowledge, family and others' encouragement and innovative mind.

McMullen and Shepherd (2006) posited that uncertainty, as a stream of research in the entrepreneurship literature, has taken two paths. One path is the level of uncertainty about an unknown future for those deciding to act or not (Gaglio & Katz, 2001). The second and most popular path is the view of an individual's willingness to bear uncertainty as an attitude toward risk-taking (Douglas & Shepherd, 2000). Either way, an individual requires knowledge (to evaluate the level of uncertainty) and motivation (as a willingness to bear uncertainty) (McStay, 2008). And perceived government support is also the most important predictor variable to predict the self-

employment intention among undergraduates, especially in Srilankan context (Ummah, 2009). Therefore, she suggested the government officials in srilanka to provide the financial support, advisory support, technical assistance, and awareness & training programs to management undergraduates in island wide to induce the self employment intention.

Personal Demographic variables have the significant moderating effect on self employment intention (Thrikawala, 2011; Nishantha, 2008). According to the Thrikawala (2011), under the personal demographic variables, study of program, year of study program, gender, family income and family business experience are the key factors to moderate the self employment intention among undergraduates. Gender factor has been identified as a significant factor in many researchers. They pointed that male students have stronger entrepreneurial intention than females (Thrikawala, 2011). The next one is the family background, which could be identified as family income and family business experiences, the persons with self-employed parent are more towards to start their own business (Timmons, 1994).

6. Recommendation

Entrepreneurship is the process of using private initiative to transform a business concept into a new venture or to grow and diversify an existing venture or enterprise with high growth potential. Entrepreneurs identify an innovation to seize an opportunity, mobilize money and management skills, and take calculated risks to open markets for new products, processes and services. It is abundantly clear that entrepreneurship is important for economic growth, productivity, innovation and employment, and many countries have made entrepreneurship an explicit policy priority. As globalization reshapes the international economic landscape and technological change creates greater uncertainty in the world economy, entrepreneurship is believed to offer ways to help to meet new economic, social and environmental challenges. Entrepreneurship has gained additional attention in the current economic crisis, as it is widely viewed as a key aspect of economic dynamism. Economic crises are historically times of industrial renewal, or creative destruction, as less efficient firms fail while more efficient ones emerge and expand. New business models and new technologies, particularly those leading to cost reduction, often emerge in downturns.

Velnampy (2005) has pointed that combination of knowledge base and business experience is the foundation to produce the successful entrepreneurs. In Sri Lanka, entrepreneurs have the lack of business knowledge to emerge as most successful entrepreneurs in the national and international level.

In our perspective, Knowledge gap should be fulfilled by the management undergraduates, because they have the tremendous business knowledge and business core competency in the fields of marketing, finance, accounting & human resource management in the systematic manner. But they have the lack of practical skills in the entrepreneurship field, due to that, most of the management undergraduates generally prefer the government and private sector jobs in the market after their graduation. And also there are some barriers or obstacles to the management undergraduates especially in the Sri Lankan context, such as lack of financial assistance, negative attitude of people towards entrepreneur as a job title, lack of creativity idea, and lack of risk taking ability. Further, management undergraduates should be motivated by the government official, non government organization and financial intermediaries to give the financial assistance, marketing infrastructure, other infrastructure like information technology, advising or consultancy services to enhance the intention level towards entrepreneurship.

7. Conclusion

Based on the Model creation, the entrepreneurial motivation is the recognized as the key fact to enhance the entrepreneurial intention among undergraduates in the globalized level. Meanwhile, this model is unique and highly suitable to the Asian perspective. Researchers or scholars in the field of entrepreneurship can utilize this model to predict the influence of the entrepreneurial motivation on the entrepreneurial intention.

8. References

- Achchuthan, S. & Nimalathan, B.(2012 a). Level of entrepreneurial intention of the management undergraduates in the university of Jaffna, Sri Lanka: Scholars and undergraduates perspective: *South Asian Academic Research Journals*, 2(10) : 24-42.
- Achchuthan , S.& Nimalathan, B. (2012 b). Entrepreneurial motivation and self-employment intention: case study on management undergraduates of university of Jaffna. In C.N. Wickramasinghe & W.M. madururupperuma (Eds), *Serious in Management Business (Economics and Entrepreneurship)*. University of Kellaniya, SriLanka, 77-90.
- Ahmad, F., Baharun, R., & Rahman, S.N. (2004). Interest in entrepreneurship: An exploratory study on engineering and technical students in entrepreneurship education and choosing entrepreneurship as a career: Faculty of Management and Human Resource Development, University of Tecnology, Malaysia.
- Ajzen, I. (1991). Theory of planned behavior: *Organizational Behavior and Human Decision Processes*, 50, 179-211
- Ajzen, I., & Driver, B. L. (1992). Application of the theory of planned behavior to leisure choice: *Journal of Leisure Research*, 24(3), 207-224.
- Akmaliah, Z.P. (2009). Entrepreneurship as a career choice : An analysis of entrepreneurial self efficacy and intention of university students: *European Journal of Social Sciences*, 9 (2), 338-349.
- Akmaliah, Z.P., Hisyamuddin, H. (2009). Choice of self employment intentions among secondary school students: *The Journal of International Social Research*, 2 (9), 540-549.
- Ariff, A.H.M., Bidin, Z., Sharif, Z., & Ahmad, A. (2010). Predicting entrepreneurship intention among malay university accounting students in malaysia: *European Journal*, 6 ,1-10.
- Bagozzi,R.P. & Yi,Y.(1988). On the Evaluation of Structural Equation Models. *Journal of the Academy of Marketing Science*,16(1):74-95
- Bandura, A. (1977). *Social Learning Theory*: Prentice Hall, Englewood Cliffs, NJ.
- Bandura, A. (1986). *Social foundation of thought and action: A social cognitive theory*.Englewood Cliffs, NJ: Prentice Hall.
- Baron, R. (2004). Potential benefits of the cognitive perspective: *Journal of Business Venturing*, 19, 169-172.
- Brockhaus, R. H. (1982) .The psychology of the entrepreneur: In C.A. Kent, D.L.Sexton and K.H. Vesper (Eds.), *Encyclopedia of Entrepreneurship* (pp.39-71), Englewood Cliffs, NJ: Prentice Hall.
- Bygrave, W. and Minniti, M. (2000) .The social dynamics of entrepreneurship: *Entrepreneurship Theory and Practice*, 24 (3), 25-36.
- Chandler, G., & Lyon, D. (2001). Issues of Research Design and Construct Measurement in Entrepreneurship Research: The Past Decade, *Entrepreneurship Theory and Practice*, 101-116.

- Crant, J.M. (1996). The proactive personality scale as a predictor of entrepreneurial intentions, *Journal of Small Business Management*, 34(3), 42-49.
- Dej, D. (2007). Motivation to become entrepreneur: In .M.Leon & M.Gorgievski (Eds) , *Psychology of entrepreneurship research and education* (pp.57-64), printed in Spain.
- Douglas, E.J. and Shepherd, D.A. (2002). Self-employment as a Career Choice: Attitudes, Entrepreneurial Intentions, and Utility Maximization, *Entrepreneurship Theory and Practice*, 26(3), 81-90.
- Festinger, L. (1957). *A theory of cognitive dissonance*. Evanston, IL: Row, Peterson.
- Fitzsimmons, J., Douglas, E.J. (2005). Entrepreneurial attitudes and entrepreneurial intentions: A cross-cultural study of potential entrepreneurs in India, China, Thailand and Australia: Babson- Kauffman Entrepreneurial Research Conference, Wellesley.
- Gaglio, C.M., & Katz, J. (2001) The psychological basis of opportunity identification: Entrepreneurial alertness, *Small Business Economics*, 16 (2), 95-111.
- Garavan, T., & O' Cinneide, B.(1994). Entrepreneurship education and training programs: a review and evaluation, part-1. *Journal of European Industrial Training*, 18(8), 3-12.
- Gartner, W.B. (1985). A conceptual framework for describing the phenomenon of new venture creation: *Academy of Management Review*, 4 (10) , 695-705.
- Gartner, W.B. (1988) .Who is an entrepreneur? Is the wrong question: *American Journal of Small Business*, 12 (4), 11-32.
- Gelderen, M., Brand, M., Praag, M., Bodewes,W., Poutsma, E., & Vangils, A. (2006). Explaining Entrepreneurial Intentions by Means of the Theory of Planned Behavior: *Research Working Papers Series*, 2, 1-33.
- Good, T. L., and Brophy, J. E. (1990). *Educational psychology: A realistic approach*, (4th Ed.) White Plains, NY: Longman.
- Gustafsson, V. (2004). *Entrepreneurial decision-making: individual, tasks and cognition*, Jonkoping International Business School.
- Hebert, R.F., & Link, A.N. (1989). In search of the meaning of entrepreneurship: *Small Business Economics*, 1 (1), 39-49.
- Hills,G.E. (1988). Variations in university entrepreneurship education: an empirical study of an evolving field. *Journal of business venturing*, 3(1), 109-22.
- Hisrich, R.D., & Peters, M.P. (1998).*Entrepreneurship* (4th ed.). Boston: Irwin Mcgraw Hill.
- Kelly, G.A. (1955). *Psychology of Personal Constructs*. New York: Norton.
- Kirzner, I. (1979). *Perception, opportunity and profit*: Chicago, University of Chicago Press.
- Krueger, N., Reilly, M. & Carsrud, A. (2000). Competing models of entrepreneurial intentions: *Journal of Business Venturing*, 15, 411-532.
- Landstrom, H. (2005). *Pioneers in entrepreneurship and small business research: International studies in entrepreneurship*, Springer Science and Business Media.

- Lent, R., Brown, S. & Hacket, G. (1994). Toward a Unifying Theory of Career and Academic interests, Choice, and Performance. *Journal of Vocational Behavior*, 45, 79-122.
- Leroy, H., Maes, J., Sels, L., & Debrulle, J. (2009). Gender effects on entrepreneurial intentions: A Tab Multi Group Analysis at factor and indicator level: Paper presented at the Academy of Management Annual Meeting, Chicago (USA).
- Linan, F. (2008). Skill and value perception: How do they affect entrepreneurial intention: *International Entrepreneurship Management Journal*, 4, 257-272.
- Locke, E. & Latham, G. (2002). Building a Practically Useful Theory of Goal Setting and Task Motivation. *American Psychologist*, 57, 705-717.
- Maalu, J.K., Nzuve, S.M., & Magutu, P.O. (2010). A survey of personal goals and perception of entrepreneurial ability among students at the school of business, University of Nairobi.
- McMullen, J. , & Shepherd, D. (2006). Entrepreneurial action and the role of uncertainty in the theory of the entrepreneur: *Academy of Management Review*, 31 (1), 132-152.
- McStay, D. (2008).An investigation of undergraduate student self-employment intention and the impact of entrepreneurship education and previous entrepreneurial experience: School Of Business,Bond University,Australia.
- Mitchell, R. K., Busenitz, L., Bird, B., Gaglio, C. M., McMullen, J., Morse, E., & Smith, J. (2007) .The central question in entrepreneurial cognition research: *Entrepreneurship Theory and Practice*, 1-27.
- Moy, W.H., & Luk, W.M. (2008). A psychological based investigation of entrepreneurial career choice intent in china: Hong Kong Baptist University.
- Mushtaq, H.A., Hunjra, A.I., Niazi, S.K., Rehman, K., & Azam, R.I. (2011). Planned behavior entrepreneurship and intention to create a new venture among young graduates: *Management & Marketing Challenge for the Knowledge Society*, 6 (3), 437-456.
- Ndubisi, N.O. (2006). Relationship marketing and customer loyalty: *Marketing intelligence and Planning*, 25, 98-106.
- Nishantha, B. (2008). Influence of personality traits and socio-demographic background of undergraduate students on motivation for entrepreneurial career: The case of srilanka: Doshisha Business School, Kyoto, Japan.
- Nishantha, B. (2008). Influence of personality traits and socio-demographic background of undergraduate students on motivation for entrepreneurial career: The case of srilanka: Doshisha Business School, Kyoto, Japan
- Nunnally,J.C. & Bernstein. (1994). *Ira Psychometrics Theory*. New York: Mcgraw Hill
- Nuttin, J. (1984). *Motivation, planning, and action*. Leuven: Leuven University Press & Lawrence Erlbaum Associates.
- Olufunso,O.F. (2010).Graduate entrepreneurial intention in south africa: Motivation and Obctacles: *International Journal of Business and Management*, 5(9), 87-98.

- Pajares, F. (1997). Current directions in self-efficacy research : In M. Maehr and P. Pintrich (Eds.), *Advances in motivation and achievement*, 10, (pp. 1-49), JAI Press.
- Perwin, L. (2003). *The Science of Personality*. Oxford: Oxford University Press.
- Plant, R., & Ren, J. (2010). A comparative study of motivation and entrepreneurial intentionality: Chinese and American Perspectives: *Journal of Developmental Entrepreneurship*, 15(2), 187-204.
- Roach, K. (1999). *Entrepreneurial Education Planning for Success Syllabus*. Clarkesville, GA: North Georgia Technical Institute.
- Scott, M.G., & Twomey, D.F. (1988). The long term supply of entrepreneurs students' career aspirations in relation to entrepreneurship: *Journal of Small Business Management*, 26 (4), 5-13.
- Senge, P. (1990). *The fifth discipline: The art and practice of the learning organization*. New York : Doubleday Currency.
- Sexton, D.L., & Kasarda, J.D. (1992). *The state of the art of entrepreneurships*. Boston MA: P.W.Kent Publishing Co.
- Shane, S. & Venkataraman, S. (2000). The Promise of Entrepreneurship as a Field of Research: *Academy of Management Review*, 25, 217-226.
- Shane, S., Locke, E .A., & Collins, C.J. (2003). Entrepreneurial motivation: *Human Resource Management Review* ,13 , 257-279.
- Shapero, A. and Sokol, L. (1982). The social dimensions of entrepreneurship: In C. Kent, D. Sexton and K. Vesper, (Eds.), *Encyclopedia of entrepreneurship* (pp.72-90).
- Shaver, K. & Scott, L. (1991). Person, Process, Choice: The Psychology of New Venture Creation, *Entrepreneurship Theory and Practice*, 23- 45.
- Solesvik, M. (2007). Attitudes towards future career choice: Stavanger Center for Innovation Research, University of Stavanger Norway.
- Stansworth, J., & Gray, C. (1991). Entrepreneurship and education: Action based research with training policy implications in Britain, ENDEC World Conference on Entrepreneurship and Innovative change, 349-358.
- Sunday times , Education, (2008): National entrepreneurship week Srilanka 2008.
- Thrikawala,S. (2011). The determinants of entrepreneurial intention among academics in Srilanka : International conference on economics and finance research, LACSIT press, singapore, 4, 454-458.
- Timmons, J.A. (1994). *New venture creation, entrepreneurship for 21st century*: Boston.
- Ummah, S. (2009). Entrepreneurial motivation and self-employment intention: An empirical study on management undergraduates in srilanka: *Journal of Management*, 5(1), 87-96.
- Velnampy T. (2008). "Job Attitude and Employees Performance of Public Sector Organizations in Jaffna District, Sri Lanka", *GITAM Journal of Management*, Vol. 6, Issue-2, April-June 2008, Pg (66-73) .
- Velnampy, T. (2005). "A Study on Investment Appraisal and Profitability", *Journal of*

Business Studies, Vol. 2.

- Velnampy, T. (2006). “A Study on Incentives and work motivation of public sector organizations in Sri Lanka”, Journal of Annamalai Business Review.
- Velnampy, T. (2012). Association among personal demographic variables and incentive systems in Sri Lanka. In Proceedings of International Conference on Business Management (Vol. 3).
- Velnampy (2009), Job Satisfaction and Employee Motivation: An Empirical Study of Sri Lankan Organizations, Mentor, Journal of Business studies, Eastern University of Sri Lanka.
- Vesper, K.H. and Gartner, W.B. (2001). University Entrepreneurship programs. Los Angeles: Lloyd Greif Centre for Entrepreneurial Studies, Marshall School of Business, University of Southern California.
- Wang, C. K., Wong, P.K., & Lu, Q. (2001). Entrepreneurial intention and tertiary education: Center for Management of Innovation and Technopreneurship (CMIT), Singapore.
- Zhao, H., Hills, G.E., and Seibert, S. (2005) the mediating role of self-efficacy in the development of entrepreneurial intentions. Journal of Applied Psychology, 90 (6), 1265-1272.