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Factors Affecting Entrepreneurial Intention of Students in Agricultural Sector

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Abstract

India being an agrarian country, with tremendous natural resources, agricultural sector of the country is a potential business area to be developed by youth. Agricultural sector can be enhanced more through agripreneurial activities. This study provides an insight into the factors that have an effect on the entrepreneurship intention of agricultural students. It would serve as base for future studies and have implications for educators and policy makers.

Keywords: Agriculture, behavioural control, entrepreneurship, intention, subjective norms

1. Introduction

Entrepreneurship has been becoming progressively crucial. It helps in making of a society and is an integral part of economic development. It is that weapon that helps combat unemployment, generates productivity, and help achieve innovative and competitive dominance. Entrepreneurship is one of the alternatives that has been alluded to as a factor that has a positive effect on economic growth (Urbano et al., 2018). Various researchers have measured the entrepreneurial intention in different contexts and tried to determine the factors that have an impact on the said intention. Since education offered by university mostly influences the career selection of students, universities can be seen as the potential sources of nascent entrepreneurs (Turker and Selcuk, 2009; Ambad and Damit, 2016).

People do not engage in entrepreneurship by accident or by chance, they do it intentionally as a result of choice (Krueger, 2007). Entrepreneurial intention is a determinant element to perform entrepreneurial behaviour (Pribadi, 2005). It is a state of mind which directs and guides the actions of individuals towards the development and implementation of new business concepts and innovative ideas (Bird, 1988). Ajzen (1991) considered intention as an indication of the degree of effort an individual or group is willing to put up to execute a particular behaviour. According to Bird (1988) entrepreneurial intention is basically development of a new venture or recreation of possibilities, values and parameters in ventures already in operation.

Agripreneurial intention refers to the intention of an individual to indulge in entrepreneurship in agricultural sector. Agripreneurship activities involve making profitable income by commercializing agriculture products from activities like farming, planting, fisheries, and animal husbandries. Agripreneurial intention or entrepreneurial intention of agricultural students is influenced by various factors, internal and external. In an agrarian economy, it is important to understand the influence and impact of these factors so that a successful agripreneurship work culture can be developed. Mohamed et al. (2012) concluded training and inculcating agripreneurship work atmosphere as the engines for agripreneurship development among young graduates.

2. Intention Models

To explore the factors that influence the entrepreneurial intention (EI) of individuals, various scholars have introduced several theoretical models. The models of Ajzen (1991) and Shapero (1984) have been robustly tested and validated by existing literature (Peterman and Kennedy, 2003; Guerrero et al., 2008; Krueger et al., 2000; Kolvereid, 1996; Tkachev and Kolvereid, 1999). These models present the basic cognitive linkage from the antecedents of EI to EI itself and to entrepreneurial action (Figure 1).

The theory of planned behaviour (TPB) was introduced by Ajzen (1991). TPB consists of three components that predict the formation of intention, namely (1) the attitude toward the behaviour, (2) subjective norms and (3) the degree of



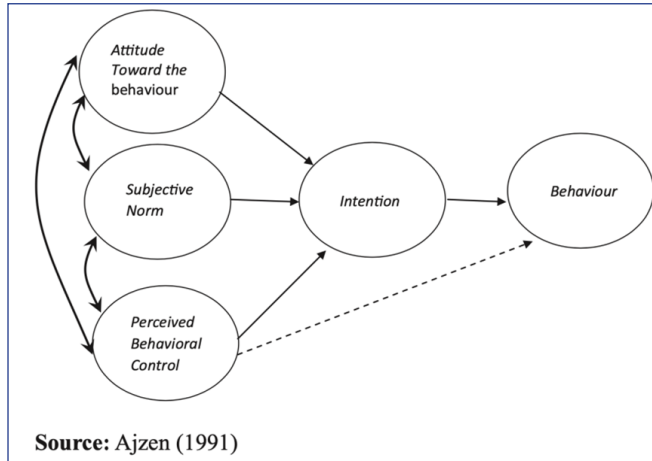


Figure 1: Factors influencing the entrepreneurial intention (EI) of individuals

perceived behavioural control (self-efficacy). The attitude toward the behaviour is the attractiveness of the behaviour or the degree to which the individual holds a positive or negative personal valuation of entrepreneurship (Ajzen, 1991). It is equivalent to the perception of the personal desirability of the behaviour in Shapero's model (Zhang et al., 2014). Subjective norms measure the perceived social pressure from family, friends, or significant others (Ajzen, 1991), referring to people's perceptions of a particular behaviour. This includes the family's expectation for an individual's behaviour and the expected support from other significant people. Perceived behavioural control refers to the perception of situational competence and reflects the perceived ability to become self-employed. It is called self-efficacy by Bandura (1997) and is equivalent to perceived feasibility in Shapero's model.

3. Factors Affecting Agripreneurial Intention

3.1. Attitude towards behaviour

Various studies found that attitude toward the behaviour is an influential variable in young entrepreneur's intention in agricultural sector (Zampetakis et al., 2014; Devi, 2015). In similar vein, Saheed and Kavos (2016) concluded that youth entrepreneurship in Africa had positive attitude and were ready to take risks and standalone. On same track, intentions of youth entrepreneurship in China agricultural sector was found to be influenced by the attitude factor (Devi, 2015). On the other hand, Arisandi (2016), Ridha et al. (2016) found no such affect of attitude on entrepreneurial intentions of students in the agricultural sector.

3.2. Subjective norms

Shiri et al. (2012) and Ridha et al. (2016) in their studies found that subjective norm had a significant effect on young students that had an educational background in agriculture. Another study conducted in Indonesia by Arisandi (2016) suggested that entrepreneurial intentions of agricultural sector students at Bogor agricultural University were

influenced by subjective norm. Similar results were found by Wijerathna (2015), concluding that subjective norms and attitudes significantly influenced entrepreneurial intentions of agricultural students in Sri Lanka.

3.3. Perceived behavioural control

Some authors found that attitude, subjective norms, perceived behavioural control were highly correlated with entrepreneurial intentions of agricultural students (Masoomi et al., 2016). Likewise, Muhammad et al., (2015); Shiri et al. (2017) found that attitude, subjective norm and control behaviour power all together influence the entrepreneurial intention of students. While, Arisandi (2016), Ridha et al. (2016) in their study found that behavioural control perceived no effect on entrepreneurial intentions of students in the agricultural sector.

3.4. Proactiveness

Yusoff et al. (2016) found that agricultural graduates' intention to become agripreneurs was substantially influenced by proactive orientation and agripreneurship education (AE). While, no support was found for risk taking and AE and innovativeness and AE.

3.5. Agricultural education and entrepreneurship education

Zampetakis et al. (2014) through his study found that educational background in agriculture highly affected agripreneurship intention of the students. On similar lines, Mohamed et al. (2012) found that respondents with agriculture background were more likely to become agri-entrepreneurs as compared to the ones with social science background. Pouratashi (2014) also found that education support (entrepreneurship courses), skills and personality traits were the three factors that influence entrepreneurial intentions of agricultural students. Studies have found that a significant relationship exists between agripreneurship education and agripreneurship intention (Yusoff et al., 2016). While, Aziz and Naem (2013) found that education background had no significant affect on entrepreneurship intention of students in agriculture context.

3.6. Educational level

Mohavedi et al. (2013) found that bachelor candidates were more inclined to work in agricultural sector.

3.7. Role model

Shiri et al. (2017) through their study concluded that having a role model had a strong impact on entrepreneurial intention through effects of perceived behavioural control, subjective norm and attitude.

3.8. Parents employment status

Pouratashi (2014) found significant differences between students who had self-employed parents and who had not on the basis of entrepreneurial intentions, in which agricultural students with self-employed parents had significantly more intention for self employment than their counterparts.

4. Conclusion

An integration of agriculture sector and entrepreneurship would direct nation towards development, ease employment pressure and serve the economy. This review revealed that intention in agricultural entrepreneurship is influenced through various factors like attitude, relational support, behavioural control, personality factors, education, role models, parents occupation. An escalation of research in this domain will eventually help is formulating more effective education initiatives and provide an aid to the policy makers.

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