

THE INFLUENTIAL FACTORS OF ENTREPRENEURSHIP THAT COMPEL INDIVIDUALS TO BECOME ENTREPRENEURS: A CASE STUDY OF THE UNIVERSITY OF LAGOS STUDENTS NIGERIA

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ABSTRACT

The purpose of this research is to examine the influential factors of entrepreneurship that compel individuals to become entrepreneurs. We proposed a theoretical framework model explaining what influences student decisions to want to start up their own businesses. Factor analysis with Varimax rotation and logistic regression can be used to determine which variables drive students to establish their own business and which elements are determinants in this decision. The impact of these elements can be determined by age and parental self-employment status. Entrepreneurial confidence (EC), entrepreneurial orientation (EO), university support for entrepreneurship (USFE), and cultural support for entrepreneurship were all identified as predictors for students starting their own business in previous surveys (CSFE). We Surprisingly found out that entrepreneurial confidence is one major component that is strongly connected with the intention to start a firm. To establish its empirical validity, we will conduct a survey from the students of the University of Lagos in Nigeria by using a close ended type questionnaire. This research will help address specific difficulties at the university level, such as the role of entrepreneurial education, as well as at the national level, such as the effectiveness of government programs aimed at boosting entrepreneurial activity and also answer these issues and look into the motive for entrepreneurial intents among students at the University of Lagos on a micro level (university).

KEYWORDS:

Entrepreneurial confidence, entrepreneurial intention, entrepreneurial orientation, theory of planned behavior, cultural support for entrepreneurship, university support for entrepreneurship.

INTRODUCTION

Entrepreneurship is regarded as a driving force behind innovation and progress, as well as a source of new job possibilities and economic growth. Entrepreneurship is also a process that may be monitored through one's intentions, actions, and interactions. Intentions toward entrepreneurship are the subject of a large body of literature. As (Krueger and Carsrud) put it in their seminal study, "intentions are the single best predictor of such behaviors, both conceptually and empirically".

This inquiry focuses on a specific case involving University of Lagos business students (UNILAG). The motivating elements that impact behaviors are considered to be captured by intentions (Ajzen, 1991). The entrepreneurial intention (EI) construct is at the heart of the majority of research, which ranges from looking into specific personality traits or demographic characteristics that are unique to entrepreneurs, to the attitude approach, which looks into how an individual values a particular behavior. The notion of the "entrepreneurial event," established by Shapero and Sokol in the 1980s, and the psycho-sociological approach (Theory of planned behavior (TPB), published by Ajzen at the beginning of the 1990s, are two key theoretical approaches that drive modern research on (EI).

Graduate entrepreneurship is increasingly seen as a vital source of competitiveness and a catalyst for economic growth and development by more countries, especially developing countries like Nigeria. Due to lack of new businesses in growing countries like Nigeria, the economy relies heavily on public sector jobs to grow. In addition, reports state that the number of new graduates is continually increasing, resulting in an unacceptably high rate of unemployed new graduates. So, as a realistic job alternative, governmental policy in many nations promotes people to start their own enterprises. More graduates should be encouraged to pursue entrepreneurial endeavors as a top government priority in countries such as the United Kingdom (South Africa), Malaysia (European Union), Nigeria (Nigeria), and the European Union (EU).

For entrepreneurs, the university's entrepreneurship program is a motivator that helps them achieve their goals (Pre 2009; Global Entrepreneurship Monitor 2011, van der Walt & van der Walt, (2008 p.50). Entrepreneurial growth is vital to the success of universities because they may strengthen entrepreneurial capacities, cultivate entrepreneurial attitudes, and most importantly, inspire a desire to be an entrepreneur.

The problem of graduate unemployment, or educated unemployment, is important to Nigeria's growth. Getting a job with a college degree is difficult (Bruwer, 1998). Unemployment and underemployment are serious problems for recent college graduates, according to research. High levels of unemployment or underemployment reveal the adequacy of an institution's efficiency and effectiveness Bai,(2006 p.15). When it comes to post-graduate employment, students and policymakers alike have a stake. In the past few decades, few individuals have questioned the usefulness of college education. Recent college graduates from a wide range of academic subjects have seen an upsurge in low-status and low-paying occupations. After graduating from college, many recent grads find themselves without a job for months or even years. As higher education continues to expand while job prospects remain scarce, the number of unemployed Nigerians is anticipated to grow in the near future (ILO, 2010).

While the private sector in Nigeria is predicted to create about 630,000 new jobs per year, with the public sector accounting for the majority, Mcha estimates that more than 800,000 new graduates will be entering labor this year. Between 2001 and 2011, Nigeria's unemployment rate averaged 11.9%, with a high of 12.9% in December 2001 and a low of 10.7% in October 2011. Informed Consent to Treatment (2011). An estimated 11.7 percent of Nigerians were unemployed last year, according to Deloitte (2013). Even if Nigeria country's unemployment rate falls within the acceptable range of 4% to 6%, a high unemployment rate is a persistent danger to social and economic progress (Prachowny, 2002). The current status of the job market necessitates the development of entrepreneurial education. As entrepreneurship education and training has been more widely accepted, it has become part of many university and business school curricula around the globe. To ensure of the country's future success and prosperity, the National Higher Education Policy (URT, 1999) and SME Development Policy both place a high value on entrepreneurial education and training. The promotion of "job creators" in the educational system, as well as responding to the rapidly changing world of science and technology and the equally rapidly changing needs of people, are some of the goals of this initiative (Olomi and Sabokwigina, 2010).

One of the most important factors in creating jobs and increasing the economy is the entrepreneurial spirit. Keeping track of an entrepreneur's thoughts, deeds, and interactions is the best way to monitor their growth. "Intentions are the single best predictor of such behaviors, both conceptually and practically," stated (Krueger and Carsrud) in their landmark study. A successful business environment in any economy requires an entrepreneurial mindset, no matter how much research has been done into whether or not entrepreneurship is the product of "nature vs. nurture." As a result, practically all educational institutions are putting greater effort into helping students build their entrepreneurial skills in Nigeria and increasing the number of programs designed to do just that. It's not simply that universities are educating students how to start their own businesses. The government is working on new initiatives to promote self-employment. For any society to be able to innovate and create new jobs, as well as contribute to the general well-being, the role of small business owners cannot be overlooked.

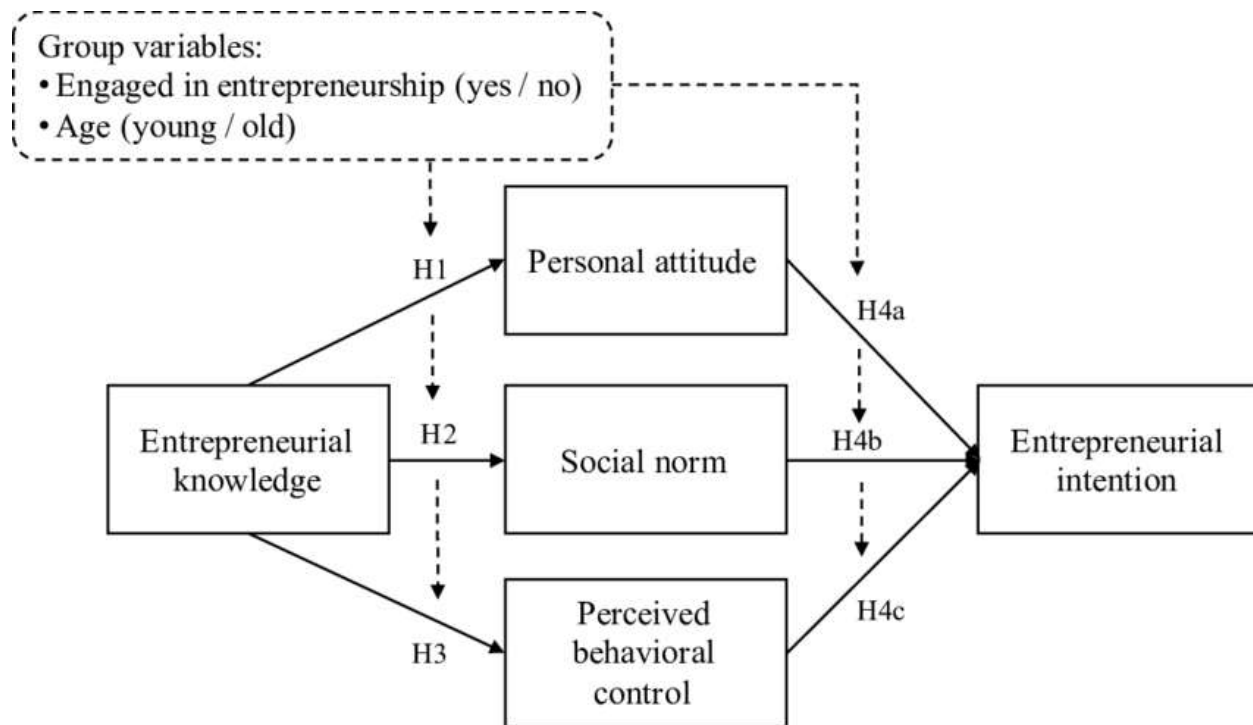
OBJECTIVES

The major objective of this study, which used the University of Lagos as a case study, was to find out what factors influence students decision to establish their own business in entrepreneurship and how they are related , as well as what the implications of this study are for universities in terms of entrepreneurial education and programmers and the need for universities to strengthen students' confidence in starting their own business. According to [UNILAG], Students' entrepreneurial spirit is a catalyst for social progress. For both economic growth and human capital development, it is a vital component. UNILAG aims to put entrepreneurship at the heart of the country's development plan in order to increase social inclusion and sustainability.

METHODOLOGY

This study adopts a descriptive research strategy when aimed at looking at the (UNILAG) students in order to discover what aspects of entrepreneurship compel students to pursue entrepreneurial careers. The purpose of a descriptive design is to determine the frequency with which a certain event occurs when various variables are present Because it aims to collect detailed data through descriptions, this strategy is also appropriate in the context of this study. The goal

of a descriptive design is to gather information that explains actual events by posing questions about people's perceptions and beliefs, according to Bryman and Bell (2011). The primary data will be collected using a self-administered semi structured questionnaire. This questionnaire will be administered to **350 students of the University of Lagos NIGERIA**. The questionnaire is made up of both open ended and closed ended questions. The open-ended questions will be used so as to encourage the respondent to give an in-depth and felt response without feeling held back in illuminating of any information and the closed ended questions allow respondent to respond from limited options that had been stated. The open ended or unstructured questions allow profound response from the respondents while the closed or structured questions are generally easier to evaluate. The questionnaires will be used in an effort to conserve time and money as well as to facilitate an easier analysis as they are in immediate usable form.



Study Framework

Adapted from Linan & Chen (2009) described in detail in Miralles et al (2016).

RESULTS AND DISCUSSIONS

Results were entirely compatible with the hypothesis. Taking into account all the other aspects, the results of the current study provide empirical facts on the issues that may be optimistically associated in the entrepreneurial factors that influence students' intents to establish their own firm. The validation of the study to discover what factors influence students' decision to establish their own firm in the context of entrepreneurship, and examine the consequences for universities in terms of the relevance of entrepreneurial education and training. The hypotheses proposed that all four types of characteristics have a direct impact on UNILAG students. Entrepreneurial intentions, shows that female students are more likely than male students to start a business. In comparison to other age groups and students, aged 20 to 25 are more likely to establish a business. Students with self-employed parents are more likely to start their own firm than those with non-entrepreneurial parents. In terms of university ramifications, one conclusion is that universities must increase students' confidence in beginning their own firm.

However, the advantages of this factor have drawbacks, most notably in terms of startup failure rates and excess market participation. To overcome these constraints, universities must supplement traditional entrepreneurship

education with new insights from many disciplines as well as practical education capable of improving risk assessment capacity. Students' drive to start their own business is a spark for society's growth, according to UNILAG. It serves as a source of economic development as well as a measure of human capital development. Putting entrepreneurship at the center of development strategy is a country goal for UNILAG in order to improve sustainability and social inclusion.

ENTREPRENEURSHIP INTENTIONS

The respondents agreed that the intention to want to start up their own business is always the first step made personally before moving forward. Students believe Preparation for action begins with an individual's intent. Conduct, according to Ajzen (1991), is influenced by rationality and information, and is encouraged or discouraged by happenings, regardless of whether they are positive or negative. Self-employment is seen as a genuine career path by students who wish to be their own boss, as well as a way to accomplish their own goals, bring their visions to life, and make money. Having an entrepreneurial mindset is a person's desire to engage in entrepreneurial behavior, participate in entrepreneurial activities, work for themselves, or establish a new business, but this, however is not enough. Students need a strong sense of self-confidence, as well as a strong determination to succeed. People who want to start new businesses, develop new company concepts, or improve existing businesses are considered to have entrepreneurial intent according to Birds (1988 p.56). It has a huge impact on the success, survival, and growth of entrepreneurship during the process of creating a new businesses. Students are prepared to enter the workforce in their field of study through training and preparation. On the other hand, their intent affects whether or not they will work for someone else or start their own business (self-employed and job creators). Students' desire to start their own businesses has been the subject of numerous studies

THEORY OF PLANNED BEHAVIOUR

The respondents agreed that instead of making the decision to start a business out of the blue, it's something you decide on in advance. To understand entrepreneurship's incentives, the TPB is the most fundamental framework to use. Developed by Ajzen (1991), TPB has proven to be an efficient study tool for examining and forecasting elements that influence intention. While individual and social characteristics are taken into account, researchers can predict entrepreneurial desire using this approach. According to the TPB, entrepreneurial intention is influenced by three variables, namely perceived behavioral control (PBC), attitude toward entrepreneurship (personal belief in certain behaviors or actions, such as entrepreneurial spirit) and subjective norm (an individual's views on what others around them think about a particular bet). (starting business ventures). As a result, students' self-efficacy and perceptions of entrepreneurship's effectiveness and viability may be improved by higher education's training or experience.

PERCIEVED UNIVERSITY SUPPORT

The respondents agreed that Students who took entrepreneurship courses are more likely to want to start their own businesses than those who did not. Also according to Kolvereid and Moen, Students' attitudes toward entrepreneurship may be influenced by the impression that entrepreneurship education leaves on them. A more positive outlook on entrepreneurship is more common among students who think of it as "easy." There is a lot of overlap between **PBC** and entrepreneurial self-efficacy. **PUS** has been found to be a major factor in self-efficacy in studies looking at university students' entrepreneurial intentions. The three components of perceived university help are: company development, concept creation, and educational assistance. Educational support encourages student by helping them gain experience or providing opportunities for them to put their knowledge into practice, such as through business simulations, case studies, entrepreneurship presentations or apprenticeship programs.

ENTREPRENEURIAL KNOWLEDGE

The respondents agreed that the vast bulk of entrepreneurial expertise is derived from personal experiences with new management duties, building new activities with no formal structure but unforeseen barriers. It has been shown in previous studies that two of the most effective ways to develop entrepreneurial skills are through involvement in activities that involve identifying and exploiting new opportunities, as well as exposure to situations that require dealing with the inherent risks that come with being a start-up business. The fact that entrepreneurship training programs have such a little impact on future intentions to engage in entrepreneurial conduct could also be explained

by the premise that an entrepreneurial knowledge reservoir is mostly filled by actual experience according to Bae et al. (2014).

PERSONAL ATTITUDE

The respondents agreed that This is the primary factor that determines whether or not a person succeeds or fails when confronted with life's unpredictability. This means that in times of unemployment, students with an optimistic outlook on starting their own business will be more likely to do so than those with a pessimistic outlook. When launching a new business venture, there are many uncertainties and hazards that can only be overcome by people who are optimistic about entrepreneurship, as opposed to those who are pessimistic about entrepreneurship" (risk averse). A person's personal assessment and evaluation of possible options is taken into account by PAs when a person is presented with difficult decisions.

SUBJECTIVE NORMS

The respondents agreed that regardless of a person's age, family is an essential part of their existence. When it comes to family and friends, most people don't want to go against the established conventions or beliefs that they are exposed to on a daily basis. Relational support, according to Gelaidan and Abdullateef (2017), has a significant role in the formation of entrepreneurial intentions in people. Examples of this vital component include emotional support from family and friends, as well as access to start-up funding.

PERCEIVED BEHAVIOURAL CONTROL

The respondents agreed that entrepreneurship aspirations may be influenced more by an individual's surroundings, resources, and methods than previously thought. **PBC** has become one of the most important seminal works in the study of people's entrepreneurial intents. PBC is the result of this theory Jarvis, (2016); Shook et al., (2003). An individual's control beliefs about the action seen are referred to as their **PBC** according to Iakovleva et al., (2011). The ease or difficulty with which the observed action can be performed is a consideration in this aspect.

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CONCLUSION

Through this research we have attempted to understand that most of the students intend to start their own business. This result is in line with other studies that underline young people in the University of Lagos rank entrepreneurship as their first employing choice. Twenty-three statements related to entrepreneurial features and cultural support have been analysed in order to determine the criteria underlying the decision to start a business. Based on Factor Analysis, the 23 statements were reduced to 4 factors impacting UNILAG students' decision to start a business: Entrepreneurial Orientation, Entrepreneurial Confidence, Cultural Support for Entrepreneurship, and University Support for Entrepreneurship. Among these factors, Entrepreneurial confidence is the only significant factor influencing the intention to start a business. This is, somehow, an unexpected result.

Taking into consideration that the surveyed students came mostly from the business and economics field, this is an expected result. These students are aware about what business means, are equipped with knowledge and skills and they are exactly the group of students you will imagine to be the start-uppers. Students with parents that have not been self-employed are times more inclined to start a business than those with parents that have had self-employment experiences. The finding is not a predictable one, but can be sustained by the fact that owning a business gives a person a better social status, and those who do not have parents with a self-employment experience dream to be the one who will start one. Moreover, a parental self-employment status could mean in many cases an existing business that could be handed over to children and, thus, taking over a family business would make more sense than starting a new one. Mostly this group of students, with parents that have not been self-employed, may be targeted by governmental programs in order to transform their entrepreneurial confidence from intention to action towards starting a business.

In terms of implications for universities in general, they have to strengthen the confidence the students have in starting their own business. For UNILAG, students' determination to pursue their own business is a catalyst for the society growth. It represents not only a source for economic development, but also an indicator for human capital development.

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