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### **DETERMINANTS OF THE ENTREPRENEURIAL INTENTIONS: TESTING THE AJZEN'S MODEL IN TURKISH SAMPLE**

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#### ***Abstract***

Many theories have been put forward in explaining the intentions of individuals to become entrepreneurs. In one of these, Ajzen (1991) sees planned actions as the conclusion of conscious decisions to act determinedly. The intentions that guide these actions are a combination of experiences, individual traits, and own personal motivation. According to Ajzen, the individual tends to be entrepreneurial in the direction of personal expectations and social norms in the society and intends to achieve entrepreneurial behavior by providing personal motivation through perceived behavioral control. In this context, the most critical outcome is the finding that human behavior is a planned action driven by intentions. In this context, it is essential that the university students, who are at the very beginning of their working life, have entrepreneurial intentions. In this studying the light of data that were collected with a questionnaire from 459 university students and Ajzen's Planned Behavior Theory tested on student's entrepreneurial intentions. Data were analyzed with correlation and regression analysis. The results showed that attitude and perceived behavioral control are quite useful to explain entrepreneurial intentions of university students.

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**Keywords:** Leadership styles, learning orientation, firm performance, high performing organizations.



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## **1. Introduction**

Entrepreneurship, one of the leading driving forces of capitalism, initially attracted only the interest of economics. After that, the influence of entrepreneurship extending on all sciences in the globalizing world. Many factors play a role in the growth of entrepreneurship. For example, the global competition that increases the power of small firms or the emergence of new niche markets. That is why entrepreneurship has become a subject that must be considered and studied.

Although research has often emphasized the inherent aspects of entrepreneurship, also it is often said that it is a subject that can be learned later in life. Related to this subject, many researchers try to put into practice entrepreneurial intentions of the university students who are approaching the transition to working life. In Turkey entrepreneurship based researches history has increased in the last 10-15 years. Particularly university students' intention to entrepreneurship offers significant scope for a research area. However, the number of studies on entrepreneurship intentions of on university students is not much. Based on this basic idea, in this research, entrepreneurship intentions according to the Azjen model of university students was examined in the light of the data gathered from a group of university students.

## **2. Literature Review and Theoretical Framework**

### **2.1. Entrepreneurship and Entrepreneurs as a Concept**

It has been the interest of researchers for many years to define what entrepreneurship involves and who the entrepreneur is. In this process, many authors have described entrepreneurship with different ways. However, these different approaches have also led to a lack of standard definition, along with adding wealth to the subject.

It is a big debate about who entrepreneur is and how he can be defined. This has two important reasons: first, the concept of entrepreneurship is a very complex and comprehensive issue; and secondly, even those who show entrepreneurial qualities often cannot express precisely what they are doing. It is also seen that entrepreneurship and entrepreneurship concepts are often confused or misused as well as this difficulty in a conceptual definition.

Entrepreneurship, at its most general level, consists of creating an enterprise that will capture ideas and turn them into products or services. "Establish a commercial enterprise that will offer a product or service, innovative activity that combines existing resources with the capacity to produce new wealth" can be defined as entrepreneurship. The entrepreneur is the individual who can take the initiative, the responsibility to make and own something. At this time the entrepreneur is expressed as the person who applies the new combinations to disrupt the continuity. The individual who collects all resources necessary for production and markets to product to meet a gap in the market or the person who sees an opportunity in the market or organization and establishes an organization to evaluate this opportunity. Entrepreneurship is a process carried out by an individual and can be carried out at different levels, both individually and organizationally.

The entrepreneur is often the person who has the risk of starting an independent activity and starting or continuing production activities. Regarding entrepreneurship, concepts such as innovation, risk, initiative, and independence are often used. Being able to stop working confidently in an existing job and

risking a new job, strengthens the idea that entrepreneurs have different personalities. Being able to take risks in the business world is often explained by McClelland's concept of "success motivation." According to the theory, it can be said that those who achieve success are those who can support it with the feedback that they are able to take a moderate risk and make it with success.

Another approach based on the characteristics of entrepreneurs is Rotter's (1954) concept of "control focus." Rotter has shown that individuals differentiate with perceiving developing events concerning luck, fate (external control focus) or their own (internal control focus) contexts. According to Rotter, entrepreneurs are individuals with a high level of internal control. Besides, the ability to make decisions under uncertainty is one of the additional features of entrepreneurs. It should also be expressed here that entrepreneurs are in fact interested in "success" itself, and that money is not the primary motivation for them. For entrepreneurs, money is an extra that comes along spontaneously.

The entrepreneur does not just set up a new business with risk. Findings shows that entrepreneurs are interested in social structure, social networks and information gathered from nets. He collects as much information as possible through his contacts and social networks. Thus, he tries to minimize the risk of establishing a new business.

"Independent entrepreneurship" is the first level that comes to mind when examine entrepreneurship. The independent entrepreneur can be described as founding a new business by own capital of the individual. The second level is "internal entrepreneurship" which has become especially popular in recent years. The idea is that entrepreneurial actions are carried out within the established organizations. If this realization is at the organizational level, it is the "enterprise entrepreneurship."

Today, the most critical finding of behavior-based entrepreneurship models is that behavior is influenced by the individual's attitudes and therefore his conscious intentions. In this context, the intention of entrepreneurship is a commitment to the actions of an individual to initiate entrepreneurial efforts to establish his own business and is thus a mental process leading to the development and implementation of the business plan of the entrepreneur. Shapero and Sokol (1982) have explained the entrepreneurial event rather than entrepreneurial intent in the entrepreneurial action model. According to the model, the individual first asks for entrepreneurship, then evaluates whether or not this desire is applicable, and as a result decides whether to act or not. Ultimately, entrepreneurial intent to enter into action and entrepreneurial intent result in entrepreneurial action. The Entrepreneurship Potential Model presented by Krueger and Brazeal (1994) introduces a social psychological perspective on how entrepreneurial potential can be conceptualized and tested. The underlying idea behind the model is that individuals with these potentials can act entrepreneurially in a high-potential environment of entrepreneurship where "potential entrepreneurs" are required and is shaped by opportunities on the periphery. In this context, the authors describe their models as a combination of Ajzen's "Planned Behavior Theory" and Shapero's "Entrepreneurial Event Model". According to the model, entrepreneurial intentions are the basis of entrepreneurial behavior. Entrepreneurial behavior will occur if a person's attitudes, social norms and behavioral control, as well as his / her entrepreneurial intentions, are unified with self-confidence. By measuring these intentions, norms and attitudes, it is possible to put forth the potential of entrepreneurship.

## **2.2. Ajzen's Planned Behavior Theory**

Ajzen conducted a detailed study on the transformation of intentions into behavior and revealed with quantitative evidence that there is a relationship between intentions and attitudes, subjective norm, and perceived behavioral control (Ajzen, 1991). The Planned Behavior Theory explains that the likelihood of behavior that is positively assessed by a person is high (Ajzen, 1987). For this reason, the theory of planned behavior has been used in many scientific studies (Xiao & Wu, 2008). Career studies have also benefited from research theories such as job search behavior (Carless & Bernath, 2007; Van Hooft, Born, Taris, & Van der Flier, 2005), intent to change career (Başkurt, 2017). In short, it is known to benefit from this theory to analyze the possibility of intention and behavior (Ajzen, 1991).

## **2.3. Attitude- Attitudes**

One of the three basic factors of the planned behavior theory is attitude, an important parameter that determines human behavior. When we look at the definitions made for attitude; according to Allport (1935), attitude is the mentally prepared state of an individual against a particular object or person and the approach to either that object or person. The concept of attitude that Smith described in 1968 is defined as all of the feelings, thoughts, and behaviors that a person has consistently created a psychological object. According to Baysal and Tekarslan (1996), attitudes can also be defined as powers that unwittingly direct our behaviors (Coşkun, 2012).

It made many definitions for attitude, as mentioned above, and social psychologists in line with these definitions by making the assumption that affected the social circle of human behavior, have researched the concept of attitude because attitude is one of the most important clues for understanding human behavior. Researches, in general, have included topics such as attitude formation and activation, attitude structure, function, attitudes, and behaviors (Ajzen, 2001). In academic studies on attitudes, intentions, and behaviors, the general conclusion is that positive attitudes result in behavioral intentions (Armitage & Conner, 2001). Leroy made a research on the entrepreneurial intentions with attitude in 2009 and the results were that the intentions dependent on the personal attitudes of the behavioral beliefs (Leroy, Johan, Lucca, Jonas, & Miguel, 2009).

*H1: There is a positive relationship between attitude and the entrepreneurial intentions of university students.*

## **2.4. Subjective Norm - Subjective Norm**

It has been suggested by Ajzen (1991) that quantitative evidence suggests that behavior is a subjective norm and another factor influencing the behavior and its fulfillment. In this context, attractiveness depends on social and cultural influences. Humankind is an entity that can live collectively and as long as it is in a group, it is affected by its environment and also affects its environment (Çoskun, 2012). This interaction is the source of behavior and attitude of humanity. It is called social behavior for a person to exhibit appropriate attitudes and behaviors by the expectations of the community he is in (Çoskun, 2012). Healthy individuals have a need to belong to a group, to be accepted and to be approved by the community. For this reason, normative influences arise as if the behavior will be accepted by those who

are valued or important. These effects are called subjective norm (Scalco, Noventa, Sartori & Ceschi, 2017). In other words, the subjective norm refers to social pressure on behavior (Ajzen, 1991).

When the investigations were examined, it was concluded that there was a meaningful relationship between intention, behavior and subjective norms (Venkatesh & Davis 2000). For example, in a study conducted on senior management students, changes in intentions and behaviors of students who completed the entrepreneurship course were investigated and the obtained data showed that the completed entrepreneurship course did not make a significant difference on the attitude, subjective norm and entrepreneurship intentions. Perceived behavior control was low but significant difference (Scalco et al., 2017). In another study, it was revealed that one of the important parameters involved in motivation and the achievement of behavior is the social norm and social normative norm (Rhodes, Jones & Courneya, 2013).

*H2: There is a positive relationship between subjective norm and the entrepreneurial intentions of university students.*

## **2.5. Perceived Behavior Control**

The third and final factor of the planned behavior theory proposed by Ajzen, is perceived behavior control. Behavior depends on the control of perceived behavior (Sahin & Alkaya 2017). Behavioral control is defined as the degree to which a person can reach the resources he needs to perform his behavior (Ajzen, 1987, 1991; Ajzen and Driver, 1992). The internal factor is referred as self-sufficiency (Bandura, 1977, Sahin & Alkaya 2017). Self-sufficiency is related to the individual himself. It is a belief that a job can be done by itself (Bandura, 1977, Zimmerman, 1995) The result of this definition is that there must be another change of self-sufficiency that one should be convinced that a job can be done it is essential that self-sufficiency is one of the factors that affect success (Bandura, 1977). Perceived behavioral control can be partially influenced by past experiences and information from people in the periphery (Ajzen, 1991). According to Ajzen, a person thinks about the result before doing a job and acts according to the conviction result (Kalkan, 2011). It is also called the freshly common sincere belief in the conduct of behavior, and sincere belief is an important variable that influences the intent of entrepreneurship (Top, 2011). In a previous study conducted by Wang and Wong (2004), it was found that the intention of entrepreneurship increased after entrepreneurship training. Another research is stated that, the perceived behavioral control has a significant effect on the entrepreneurship tendency (Ekici & Turan, 2015).

*H3: There is a positive relationship between perceived behavioral control and the entrepreneurial intentions of university students.*

## **3. Research Method**

### **3.1. Sample and Data Collection**

An amount of 459 students from ten different universities in Turkey are participated in the study. The participants herein are between 18 and 27 ages (Average=21.24 and Standard Deviation=3,12); 46%

of the participants are male and 54% are female. Data obtained from those students were analysed through the SPSS statistical packet program.

### 3.2. Scales

All variables of the study were measured by adapting two different scales taken from Linan and Chen's (2009) study. Each item was answered via a seven-point Likert scale: "1=almost never" through to "7=almost always". The higher scores indicated stronger intentions for the constructs. Cronbach's alpha coefficients were between .87 and .89 as shown on Table-1.

## 4. Findings

The correlation findings acquired within the study indicate that entrepreneurial intentions have positive relations with attitude ( $r=.75$ ,  $p<.01$ ), subjective norms ( $r=.66$ ,  $p<.01$ ) and perceived behavioral control ( $r=.36$ ,  $p<.01$ ). Additionally; there is a positive and significant relationship ( $r=.53$ ,  $p<.01$ ) between attitude and subjective norms, a positive and significant relationship ( $r=.36$ ,  $p<.01$ ) between attitude and perceived behavioral control and a positive and significant relationship ( $r=.36$ ,  $p<.01$ ) between subjective norms and perceived behavioral control. The results of the analysis are shown in Table-1:

**Table 01.** Means, Standard Deviations, Reliability Scores and Correlations

Variable	Mean	SD	1.	2.	3.	4.
1. Entrepreneurial	5,15	1,33	(.89)			
2. Attitude	4,79	1,59	,75**	(.88)		
3. Subjective norms	4,17	1,31	,66**	,53**	(.88)	
4. Perceived	5,44	1,01	,36**	,36**	,36**	(.87)

In order to detect the effect of independent variables on dependent variable; hierarchical regression analysis is held in the study. Firstly; the demographic variables such as "age", family income "and "gender" are included in the study at the first stage within the regression analysis and their effects are controlled. At the second stage; the effects of independent variables are examined.

**Table 02.** Regression Analyses Results

Variables	Entrepreneurial intentions	
	Model-1	Model-2
Age	,16**	,03
Family income	,20**	,03
Gender	,24**	,04
Attitude		,54***
Subjective norms		,02
Perceived behavioral control		,32***
F	20,918***	111,026***
R <sup>2</sup>	,16	,67

Hypothesis 1 tests a positive relationship between attitude and the entrepreneurial intentions of university students. The findings reveal that attitude has a significant effect on entrepreneurial intentions of university students ( $\beta = .54, p < .001$ ). Hence; Hypothesis 1 is accepted.

Hypothesis 2 tests a positive relationship between subjective norm and the entrepreneurial intentions of university students. Due to the findings; it is revealed that subjective norm has not a significant effect on entrepreneurial intentions of university students. So that Hypothesis 2 is rejected.

Hypothesis 3 tests a positive relationship between perceived behavioural control and the entrepreneurial intentions of university students. The findings reveal that attitude has a significant effect on entrepreneurial intentions of university students ( $\beta = .32, p < .001$ ). Hence; Hypothesis 1 is accepted.

By evaluating the findings of regression analysis in general; it is understood that attitude and perceived behavioural control are quite effective to explain entrepreneurial intentions of university students. In this context; The Planned Behaviour Theorem is suggested to have significant effect on entrepreneurial intentions.

## 5. Conclusion and Discussions

The basic aim of the study is to test the Ajzen's Model in Turkish Sample and find determinants of the entrepreneurial intentions of university students. Within the study held via reliable and valid scales detected; the single factor structure of entrepreneurial intentions scale and 3-factors structure of other scales are confirmed. According to the results of correlation analysis; a positive relation exists between entrepreneurial intentions and Ajzen's Model's factors. By analyzing the regression findings; it is surprising that subjective norm has not a significant effect on entrepreneurial intentions of university students, revealing herein the explanation ability of attitude and perceived behavioral control are quite effective.

Findings show that personal attitude is a significant positive effect on university students on entrepreneurial intentions. This is known as a positive evaluation of entrepreneurship by students, especially in the business world that they perceive that they will be more successful. Another positive and significant relationship is that the observed behavioural control can be interpreted as the belief that the students have the knowledge, skills, and competence to establish a new business. The subjective norm has surprisingly been found to have no significant contribution to entrepreneurial intent. The interpretation we will draw from this is that students can make their own decisions about the creation of entrepreneurial intention without being affected by the social environment or social pressure.

Besides, this study should be repeated only with the students who are studying at the state university and once with the students who are studying at the private university. Since there is more communication between private universities and the pioneering firms of the sector, directives made by industry leaders can be effective, meaning that there is a meaningful and positive relationship between subjective norm and entrepreneurial intent. In addition to these findings, it is known that the factors influencing the intention to entrepreneurship can be compared as the data obtained from the state university and the private university.

The study includes several limitations. The most important limitation is the problem of generalization issue. Because the sample benefited within the study includes solely a certain amount of university students. A research including a more expanded sample will provide better results.

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