

INFLUENCE OF PERSONALITY ON ENTREPRENEURIAL INTENTION AMONG THE MANAGEMENT STUDENTS

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Abstract: This study is aimed to analyze the professional students' intention to become an entrepreneur in the future, to discuss basic understanding of the entrepreneurship and identify the variables to measure the entrepreneurial intention. Sample size was 100. Primary data were collected from management students of Tamilnadu, Universities. Simple random sampling technique was adopted. Multiple regression was used for data analysis. It is found that there is an influence of conscientiousness, extraversion, agreeableness and neuroticism on entrepreneurial intention. The analysis also highlight that there is no influence of openness on entrepreneurial intention. Hence, it is concluded that the openness of the students is much higher to become an entrepreneur. Students require proper guidance to achieve their goal. The agencies need to target all forms of needs of the students. If that is created with high par excellence, they can produce more entrepreneurs.

Keywords: Openness, Conscientiousness, Extraversion, Agreeableness, Neuroticism, Entrepreneurial Intention and Management Students.

1. INTRODUCTION

Creating entrepreneurial intention is the basic steps to evolve various forms of entrepreneurship in any nation. In addition, the entrepreneurial intention has a distinctive advantage in nature. If any community has high level of entrepreneurial intentions, it can produce various forms of entrepreneurship such as social entrepreneur, ecopreneur, edupreneur and different innovative entrepreneurship which society requires having cumulative growth. It is difficult to create various forms of entrepreneurship in a short span of time, until and unless the society which has higher entrepreneurial intention. This study is aimed to analyze the professional students' intention to become an entrepreneur. This section is dedicated to discuss basic understanding of the entrepreneurship and identified the variables to measure the entrepreneurial intentions.

Personality

The sum total of ways in which an individual reacts and interacts with others is defined as personality. Howard, Medina and Howard, 1996 developed the Big Five Locator tool to identify the personality of individuals. In recent years, an impressive body of research supports that five basic dimensions underlie all others and encompass most of the significant validation in human personality.

(a) Openness

The Openness trait is about the degree to which one is curious about one's inner and outer worlds. On the one hand, the "explorer" has broader interests, has a fascination with novelty and innovation, would generally be perceived as liberal and reports more introspection and reflection than most people. On the other hand, the "preserver" has narrower interests, is perceived as more conventional and is more comfortable with the familiar.

(b) Neuroticism

The neuroticism is about an individual's resilience in response to stressful situations. At one extreme, there are "reactive individuals", who experience more negative emotions than most people and who obviously report less satisfaction with life that. On the other extreme are the "resilient individuals",

who tend to experience life on a more rational level than most people who appear impervious to what is going on around them.

(c) Extroversion

The Extroversion trait is about the degree of one's preference for being actively engaged with other people. On the one hand, the "extrovert" tends to exact more leadership, to be more physically and verbally active, and to be more friendly and outgoing around others than most people tend to be.

(d) Agreeableness

The agreeableness trait is a measure of altruism versus egocentrism. At one end of the group, to accept the group's norms rather than insisting on his / her personal norms. Harmony is more important to the adapter. See at the other end of the continuum, the "challenger" is more focused on his / her personal norms and needs rather than on those of the group. The challenger is more concerned with acquiring and exercising power.

(e) Conscientiousness

The conscientiousness trait is about self control in the service of one's will to achieve. At one extreme and, the "focused" profile portrays high self-control, resulting in consistent focus on personal and occupational goals. At the other extreme and, the "flexible" person is more easily distracted, is less focused on goals, is more lax with respect with goals.

2. REVIEW OF LITERATURE

Zain, et al. (2010) study on Malaysian undergraduate business students in public university in survey using 230 samples selected through systematic sampling revealed that more graduating students have a desire to pursue into entrepreneurship and they are influenced by entrepreneurial courses taken, family members who are entrepreneurs and academics that are in business related disciplines. The findings indicate that personality trait influence intention. That is the manner in which a person feels and act influences their decision to become an entrepreneur.

Putra (2012) conducted a study to examine what factors determining Management Department students' interest in entrepreneurship. Samples were used from the Management students of Economics Faculty of Padang University, using accidental sampling technique, and factor analysis, and twenty-two questionnaire items were given to 100 students. These results proved that there were six factors determining Management student interests in entrepreneurship, namely environmental factors, self-esteem factors, opportunity factors, personality factors, vision and confidence factors.

Olakitan and Ayobami (2011) investigated on the influence of personality on entrepreneurial success. They examined the impact of gender, locus of control and risk-taking behavior on the success of an entrepreneur. The results showed that: (1.) risk-taking behavior and locus of control had no significant interaction effect on entrepreneurial success. (2.) there was also no significant difference between risk-taking behavior and entrepreneurial success. (3.) A significant difference existed between internal locus of control and entrepreneurial success. (4.) there was no significant difference in the entrepreneurial success based on gender differences. (5.) Locus of control and risk-taking behavior did not collectively predict or determine entrepreneurial success. On the basis of the findings, entrepreneurs are advised to take cognizance of their personality since it can go a long way to determine the success or failure of an enterprise.

Krishna (2013) ascertains that motivational factors can be classified into internal and external factors. Internal factors are related to the personality of the entrepreneur and generate an inclination to adopt entrepreneurial activity. Internal factors include educational background, occupational experience, the desire to do something pioneering and innovative, the desire to be free and independent and family background. Entrepreneurial ambitions cannot fructify without a supporting environment. External factors provide support and give a spark to entrepreneurship. External factors include assistance from government and financial institutions.

Zahariah, et al. (2010) studied about "Entrepreneurship Intention among Malaysian Business Students." This study examines entrepreneurship intention among Malaysian Business Students." Using a questionnaire survey on undergraduate business students in a Malaysian public university, this study examines whether business students have an intention to pursue entrepreneurship. It also examines whether personality traits and environmental factors influence the students to become entrepreneurs. The results

indicate that more than half of the respondents have an intention to become entrepreneurs and their decisions are attributed by the influence from their family members, academics and attending courses on entrepreneurship. The results also show that out of the two factors: personality traits and environmental, personality traits play an important role in influencing the students’ decision to become entrepreneurs. The findings implicate that academics need to play a significant role in encouraging more students to become entrepreneurs by providing more awareness on the benefits of becoming entrepreneurs and in turn, contributing to the growth of the country’s economies and global competitiveness.

3. RESEARCH METHODOLOGY

Research Design

Descriptive research design has been adopted for this research work. The descriptive research design attempts to describe the behavior of the respondents in relation to a particular practice or society of importance. The descriptive study is typically concerned with determining the frequency with which something occurs or how two variables vary. Based on the advantages of descriptive research, the researcher has adopted the survey method to determine the influence of personality on entrepreneurial intention among management students.

Framework

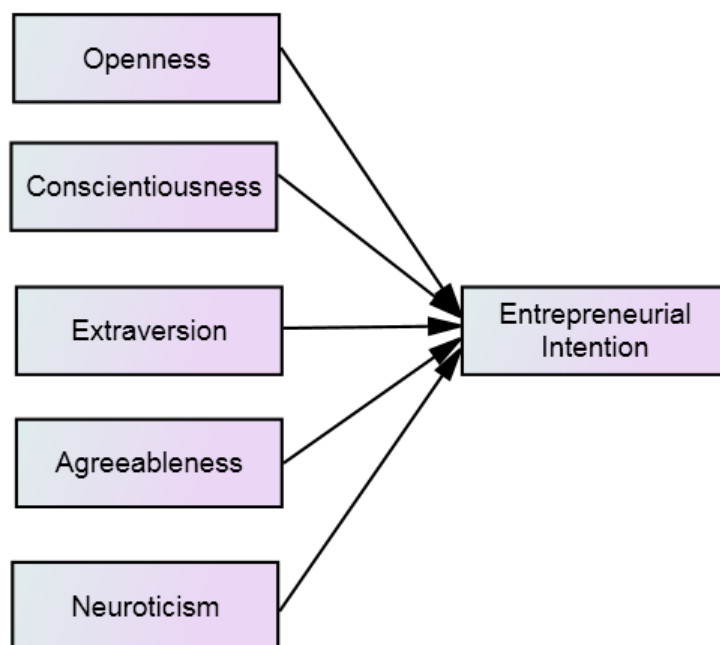


Figure - 1: Framework of the Study

The above figure -1 shows the framework of the study. From the figure, entrepreneurial intention was considered as a dependent variable. Personality was considered as independent variable. Personality was classified in to five groups such as openness, conscientiousness, extraversion, agreeableness and neuroticism.

Objective of the study

- To study the influence of personality on entrepreneurial intention among the management students.

Hypothesis of the Study

- There is no influence of personality on entrepreneurial intention among the management students.

Questionnaire Construction

Questionnaire	Author
Personality	(Goldberg, 1993)
Entrepreneurial intention	(Brice & Spencer, 2007)

Questionnaire is framed using standardised instruments. In order to measure personality and entrepreneurial intention were used.

Area of sample and justification

Tamilnadu have been chosen for this study as area of sampling. Hence there is a need to influence of personality on entrepreneurial intention among management students.

Sample Size

Sample size was 100 management students of Tamilnadu.

Sampling Technique

Simple random sampling of probability sample has been followed to collect the data for the study. This offers a high degree of accuracy and in a short period, a valid and comparable result can be obtained.

Tool for data analysis

Multiple regression analysis was used to identify the influence of the dimensions of personality such as openness, conscientiousness, extraversion, agreeableness and neuroticism on entrepreneurial intention among management students.

4. ANALYSIS AND INTERPRETATION

Table 1: Multiple regression analysis shows influence of personality on entrepreneurial intention among management students
Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate	F	p
0.655	0.429	0.425	0.45514	96.647	0.000

Coefficients

Model	Factors	Un standardized Coefficients		Standardized Coefficients	t	p
		B	SE	Beta		
	Constant	0.836	0.121		6.905	0.000
1	Openness	0.030	0.035	0.038	0.869	0.385
2	Conscientiousness	0.193	0.046	0.189	4.173	0.000
3	Extraversion	0.182	0.044	0.180	4.115	0.000
4	Agreeableness	0.190	0.041	0.215	4.647	0.000
5	Neuroticism	0.155	0.038	0.161	4.072	0.000

Dependent Variable: Entrepreneurial Intention

The multiple regression analysis has been carried a sample of 100 and data considering managements students entrepreneurial intention as a dependent variable and the remaining five independent variables viz., openness, conscientiousness, extraversion, agreeableness and neuroticism. The reaction of the students and effect of the independent variables over management's students' entrepreneurial intention have been studied by the regression analysis.

The value of R^2 is 0.429 and implies that 42.9 percent of entrepreneurial intention influenced by the above five variables namely openness, conscientiousness, extraversion, agreeableness and neuroticism. The F value obtained for the analysis is 96.647, which is significant at one percent level. Hence, the assumed regression model may be considered as a good. Hence it is concluded that influence of dimensions of personality such as openness, conscientiousness, extraversion, agreeableness and neuroticism on entrepreneurial intention at 42.9 percent.

Considering the significant individual regression coefficients, it is seen that the variable conscientiousness shows (beta – 0.189, t – 4.173, p – 0.001), extraversion shows (beta – 0.180, t – 4.115, p – 0.001), agreeableness shows (beta – 0.215, t – 4.647, p – 0.001) and neuroticism shows (beta – 0.111, t – 4.072, p – 0.001) are having effect over entrepreneurial intention. Hence, the p values are less than 0.05,

which is significant at 1% level. It is concluded that four independent variables (conscientiousness, extraversion, agreeableness and neuroticism) influence on dependent variable entrepreneurial intention.

Considering the significant individual regression coefficients, it is seen that the variable openness shows (beta – 0.038, t – 0.869, p – 0.385), is having no effect over entrepreneurial intention. Hence, the p value is greater than 0.05, which is not significant at one and five percent level. It is concluded that there is no influence of openness on entrepreneurial intention.

From the multiple regression analysis, it is concluded that there is influence of conscientiousness, extraversion, agreeableness and neuroticism on entrepreneurial intention. The analysis also highlighted that there is no influence of openness on entrepreneurial intention.

5. FINDINGS, RECOMMENDATION AND CONCLUSION

Findings

- The value of R^2 is 0.429 and implies that 42.9% of entrepreneurial intention influenced by the above five variables namely openness, conscientiousness, extraversion, agreeableness and neuroticism. The F value obtained for the analysis is 96.647 which is significant at one percent level. Hence, the assumed regression model may be considered as a good fit.
- It is found that there is influence of conscientiousness, extraversion, agreeableness and neuroticism on entrepreneurial intention. The analysis also highlighted that there is no influence of openness on entrepreneurial intention.

Recommendation

The openness of the students is much higher to become an entrepreneur. The students are in need of the proper guidance to achieve their goal. The needs are different among the students. So the agencies need to target all forms of needs of the students. If that is created with high par excellence, they become successful entrepreneurs.

Conclusion

Creating entrepreneurial intention is the basic steps to evolve various forms of entrepreneurship in any nation. In addition, the entrepreneurial intention has a distinctive advantage in nature. This study is aimed to analyze the professional students' intention to become an entrepreneur in the future, to discuss basic understanding of the entrepreneurship and identify the variables to measure the entrepreneurial intention. Sample size was 100. Primary data were collected from management students of Tamilnadu, Universities. Simple random sampling technique was adopted. Multiple regression was used for data analysis. The study found that there is an influence of conscientiousness, extraversion, agreeableness and neuroticism on entrepreneurial intention. The analysis also highlight that there is no influence of openness on entrepreneurial intention. Hence, it is concluded the openness of the students is much higher to become an entrepreneur. The students are in need of the proper guidance to achieve their goal. The needs are different among the students. So the agencies need to target all forms of needs of the students. If that is created with high par excellence, they become successful entrepreneurs.

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