SOCIO-CULTURAL VALUES AS DETERMINANTS OF ENTREPRENEURIAL INTENTIONS AMONG UNIVERSITY STUDENTS IN CAPE TOWN

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KEY WORDS

Entrepreneurial intentions

Social values

Cultural values

Socio-economic values

Self-efficacy

University students

Cape Town

DECLARATION

I, the undersigned, hereby declare that the work contained in this dissertation titled “SOCIO-CULTURAL VALUES AS DETERMINANTS OF ENTREPRENEURIAL INTENTIONS AMONG UNIVERSITY STUDENTS IN CAPE TOWN” is my own work and that I have not previously, in its entirety or in part, submitted it at any university for a degree, and that all the sources I have used or quoted have been indicated and acknowledged by complete references.

Vivence Kalitanyi

May 2015

Signed: ……

ABSTRACT

In many parts of the world and in South Africa in particular, there is a growing body of literature supporting the opinion that intentions play a crucial role in the decision to become an entrepreneur. Models of entrepreneurial intentions around the world have been developed, but in South Africa studies in this regard are still inconclusive, especially among the youth.

This research study primarily aimed at investigating how social, cultural and socio-economic factors of entrepreneurship students in the universities of the Western Cape Province shape their entrepreneurial intentions. Entrepreneurial intentions, social factors, cultural values, as well as socio-economic factors, were reviewed in the literature and are presented in this dissertation. The study adopted a mixed-methods approach through the amalgamation of both qualitative and quantitative research methodologies. A survey questionnaire was administered to the respondents — entrepreneurship students from the University of Cape Town (UCT), the University of Stellenbosch (US), the University of the Western Cape (UWC) and the Cape Peninsula University of Technology (CPUT). Data collected was coded by means of the Statistical Program for Social Sciences (SPSS), version 22. Six variables out of nine of the instrument had a coefficient Alpha (Cronbach) of more than 0.7, while the remaining three had a coefficient Alpha of between 0.5 and 0.7; this extended its reliability.

The study discovered that most of the items of the instrument had a positive relationship with their variables, leading to the variables being considered as having an influence on entrepreneurial intentions. In fact, the study found that social factors, as well as cultural values and socio-economic values, impact on self-efficacy and entrepreneurial intentions. The result of the research is that the study suggests a model of entrepreneurial intentions among

university students, and in the final chapter concludes with recommendations and suggestions for future research.

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DEDICATION

This thesis is dedicated to my parents: my mother, Alice, and my late father, Boniface, for having loved me.

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ACRONYMS

AsgiSA	Accelerated and Shared Growth Initiative for South Africa
BEE	Black Economic Empowerment
CEFE	Competence-based Economies through Formation of Enterprises
CEO	chief executive officer
CPUT	Cape Peninsula University of Technology
DHET	Department of Higher Education and Training
ECCE	Early Childhood Care and Education
EICs	Enterprise Information Centres
EU	European Union
EDU	Entrepreneurship Development Unit
EWET	Education with Enterprise Trust
FEBDEV	Foundation for Economic and Business Development
FET	Further Education and Training
GEM	Global Entrepreneurship Monitor
GSB	Graduate School of Business
HLIs	higher learning institutions
JASA	Junior Achievement South Africa
MEP	Mini Enterprise Programme
MIT	Massachusetts Institute of Technology
NAFCOC	National African Federated Chamber Of Commerce
NGOs	non-governmental organisations
NYDA	National Youth Development Agency
SA	South Africa
SAHLIs	South African higher learning institutions

SAIE	South African Institute for Entrepreneurship
SEDA	Small Enterprise Development Agency
SMEs	small and medium enterprises
SMMEs	small, medium and micro-enterprises
SPSS	Statistical Program for Social Sciences
SRC	student representative committee
TEA	total entrepreneurial activity
TPB	Theory of Planned Behaviour
TRA	Theory of Reasoned Action
TT	Triple Trust (Organisation)
UCT	University of Cape Town
UK	United Kingdom
US	University of Stellenbosch
USA	United States of America
USB	University of Stellenbosch Business School
UWC	University of the Western Cape
UYF	Umsobomvu Youth Fund
YEC	Youth Entrepreneurship Campaign
YES	Youth Enterprise Society

CHAPTER 1
INTRODUCTION TO THE STUDY

1.1. INTRODUCTION AND BACKGROUND

This introductory chapter of the study describes the objective of the research and its importance. It begins with the background of the problem which was investigated and the rationale to undertake the study. The research objectives, research questions, and the research hypotheses are introduced in this chapter, while the literature review and theories that underpin the study are outlined. The research model and the methodology used to carry out the study are also presented.

It is widely accepted that different approaches of entrepreneurship behaviour can be explored in an attempt to understand why, how, when or where entrepreneurs discover and exploit opportunities to develop a venture (Shane & Venkataraman, 2009). Entrepreneurship is regarded as a result of a cognitive process (Baron, 2004) and a number of researchers, including Shaver and Scott (1991), support this argument, highlighting that becoming an entrepreneur (a complex process) is the result of an intricate mental process. Consequently, psychological models are being developed and applied to analyse the venture-creation decision (Baum, Frese and Baron, 2007). Hence, the theory of planned behaviour (Ajzen, 1991) is at the centre of these studies in empirical analysis of the mental process leading to firm creation (Kolvereid, 1996; Krueger, Reilly and Carsrud, 2000 and Fayolle, Gailly and Lassas-Clerc, 2006).

Davidson and Honig (2003) and Liñán and Santos (2007) asserted that there is an argument that social values and beliefs concerning entrepreneurship do affect the motivational antecedents of intention, while Hofstede (1980) posited that cultural values may be a relevant influence on work-related behaviours. However, there seems to be an insufficiency of empirical evidence of the effect of culture on entrepreneurial intentions

in different regions (Liñán, Moriano, Romero, Rueda, Tejada and Fernandez, 2009).

As ascertained by Inglehart (2005), culture is a set of basic common values contributing to the shaping of people's behaviour in society. As a result, cultural influence on entrepreneurship has received increasing attention in the past few years, with Hofstede's cultural dimensions of power, distance, individualism, masculinity, uncertainty and long-term orientation (Hofstede, 1980,1991, 2003) being used as a reference in most research about the influence of culture on entrepreneurship (Hayton, George & Zahra, 2002).

Contrary to the above statement, Liñán *et al.* (2009) argued that it is still unclear what the specific effect of each cultural characteristic on entrepreneurship is. In an attempt to clarify the above statement, Hofstede, Noorderhaven, Thurik, Uhlaner, Wennekers and Wildeman (2004) considered two alternative forms in which this influence may be exercised. Firstly, they argued that a positive aggregate effect would occur when (in a family or society) culture shapes economic and social institutions, making them more favourable towards entrepreneurial activity. In such societies, since individuals feel integrated, they may find it easier to become entrepreneurs. On the other hand, dissatisfied individuals may turn to personal realisation through self-employment when culture is relatively unfavourable.

This research is of importance as it sheds more light on how the role and the importance of social, cultural and socio-economic factors have an effect on entrepreneurial intentions. At the same time, the study clarifies why some societies show a higher interest in entrepreneurial activity. This study proposes to investigate the relationship between those factors just mentioned and entrepreneurial intentions. As suggested by Liñán (2007) and Moriano, and Gorgievski and Lukes (2008), education plays a key role in motivating entrepreneurship, and hence the belief that the role of entrepreneurial education in this study could be elaborated further. Thus,

this project can be regarded as a starting point for future extensions in the study of the rationale of education on entrepreneurship.

1.2. RATIONALE

According to the National Commission on Entrepreneurship (2003:23), one of the best ways to grow the economy is to encourage more people to become entrepreneurs, as the well-being of any society depends greatly on the economic growth of its country (Kalitanyi, 2007).

However, the Global Entrepreneurship Monitor GEM (2010) commented that South Africa is continuously rated far below its competitors among developing countries, partly because it does not encourage risk-taking entrepreneurs. This suggests that there is a lack of job creation and consequently lack of support to the economic growth. A further setback to job creation is that entrepreneurship is still at its starting level in South Africa, but what is encouraging is the increasing commitment from academics to research, teach and provide outreach offerings in entrepreneurship (Co & Mitchell, 2006:348). Both authors lamented that the teaching and assessment methods follow traditional classroom delivery, while research is perceived as less rigorous than other management disciplines.

Similarly, North and Gouws (2002) argued that research in entrepreneurship education in South Africa has mostly focused on the secondary level, while others have looked at the current methodologies used by universities to teach entrepreneurship. Kroon and Meyer (2001) and Davies (2001) contended that none of these studies has covered the whole country. With the above comments in mind, this study used the entrepreneurship students from the universities in the Western Cape Province to investigate their entrepreneurial intentions as the unit of analysis.

As ascertained by Friedrich and Visser (2005:5), entrepreneurship is a major driver of innovation. However, it is sad that South Africa is lagging

behind the developed countries in terms of entrepreneurial activities, enterprise start-ups, business formation, enterprise growth opportunities and employment creation.

Entrepreneurship is an engine for job creation. In his State of the Nation Address, President Zuma insisted on this underlying factor by naming 2011 the year for job creation. This acknowledgement of the insufficiency of entrepreneurship initiatives made a resounding call to academics and research institutions alike to discover more ways through which entrepreneurship can be enhanced in South Africa. A research project such as this one supports this call by showing the level of entrepreneurship status and education from which strategies to enhance entrepreneurship, in order to stimulate job creation, can be formulated.

Furthermore, it was equally important and justifiable to conduct this study at university level, involving South African universities that are located in the Western Cape, i.e. the University of Cape Town (UCT), the University of Stellenbosch (US), the University of the Western Cape (UWC) and the Cape Peninsula University of Technology (CPUT) because, as articulated by Friedrich and Visser (2005:29), the Western Cape is much better enabled at the higher education level than any other province in the country, due to it hosting all these universities some of which are among the leading ones in the country. The researcher strongly believes that a significant number of students come from all over the country to further their education, and therefore this research can represent a nationwide trend.

1.3. AIMS OF THE STUDY

Broadly, the study intended to investigate how social factors, cultural values and socio-economic factors of students shape their venture-creation decisions in the South African context, thereby striving to achieve both academic and strategic objectives through the following specific research objectives:

- Investigate how students' social factors (work, education) shape their entrepreneurial intentions.
- Investigate how students' social factors impact their self-efficacy.
- Investigate how students' cultural values (language, beliefs, religion, customs and traditions) shape their entrepreneurial intentions.
- Identify how students' cultural values shape their self-efficacy.
- Investigate how students' socio-economic values (income, economic development, employment level) shape them in entrepreneurial intentions.
- Establish how students' socio-economic factors shape their self-efficacy.
- Investigate how self-efficacy impacts on entrepreneurial intentions.

1.4. PROBLEM SETTING

The main research problem the study sought to answer "How social, cultural values and socio-economic factors of entrepreneurship students shape their entrepreneurial intentions". Such a research question is a critically important one because, as confirmed by Parker (2004) and Reynolds (1997), in many parts of the world there is still insufficient knowledge concerning the more qualitative factors that shape individuals' decisions towards the entrepreneurial intention, and the researcher believes South Africa is one of these countries due to the fact that the current study suffered insufficiency of literature in the field.

To guide the investigation towards an answer to the above research question, and in accordance with the objectives of the study, the following research questions had to be answered:

- How do social values of students shape their entrepreneurial intentions?
- How do social values of students shape their self-efficacy?

- To what extent do cultural factors of students shape their venture-creation decisions?
- To what extent do students' cultural values shape their self-efficacy?
- To what extent do socio-economic values of students shape their venture-creation decisions?
- How do students' socio-economic factors impact on their self-efficacy?
- How does self-efficacy impact on the students' venture-creation decisions?

1.5. RESEARCH HYPOTHESES

Babbie (2001:56) ascertained that hypothesis is the basic statement that is tested in research. Bless, Higson-Smith and Kagee (2006:33) said that research problems are essentially questions about the relationships between variables, and that hypotheses are tentative, concrete and testable answers to such problems. The hypothesis is therefore a suggested answer to a problem which has to be tested empirically, before it can be incorporated into theory. Willemse (2009:198) pointed out that a hypothesis is a claim or statement about a population characteristic. Marais and Mouton (1990) stated that hypotheses are formulated to postulate a statistical relationship between phenomena. A hypothesis should have good testability in that it should either be confirmed or rejected. In the view of Kerlinger (1986), a hypothesis is stated in a declarative form, reflecting a prediction relating to variables.

Considering the research objectives, the main research problem, specific research questions, as well as the context in which the study was positioned, it was possible to formulate the following hypotheses:

H1: The social factors of entrepreneurship students have a positive influence on their entrepreneurship self-efficacy.

H2: The social factors of entrepreneurship students have a positive influence on their entrepreneurial decisions.

H3: The cultural values of entrepreneurship students have a positive impact on their entrepreneurship self-efficacy.

H4: The cultural values of entrepreneurship students have a positive impact on their entrepreneurial decisions.

H5: The socio-economic factors of entrepreneurship students have a positive influence on their entrepreneurship self-efficacy.

H6: The socio-economic factors of entrepreneurship students have a positive influence on their entrepreneurial decisions.

H7: Self-efficacy of entrepreneurship students has a positive influence on their entrepreneurial intentions.

These suggested relationships are shown on the diagram below, which also constitutes the model for the current study.

Figure 1.1 shows the various variables of the study, as well as the relationships between those variables. The study strove to show how entrepreneurship students' social values (family, parents' work and their education) have an impact on their self-efficacy and entrepreneurial intentions.

The study also investigated whether cultural values (language, religion and customs and traditions) of entrepreneurship students have an impact on both self-efficacy and entrepreneurial intentions, and the extent to which socio-economic values (income, economic development and employment level) impact on students' self-efficacy and their entrepreneurial intentions. Finally, the impact of self-efficacy on entrepreneurial intentions of entrepreneurship students was measured.

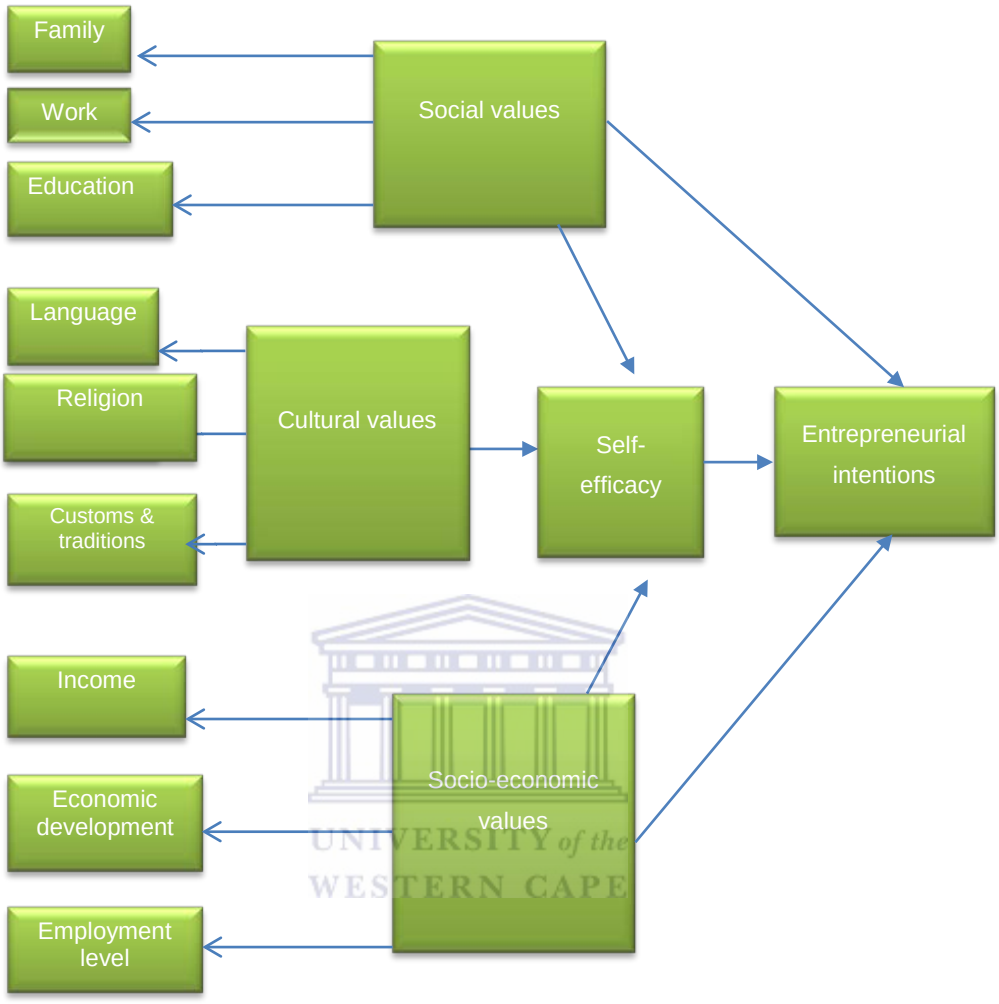

Figure 1.1: Diagram of variables and constructs' relationships (Research Model)

1.6. DELIMITATION OF THE STUDY

There is a link between family influences and the future behaviour of the children who emerge from the family. In the view of Athar (2011), the behaviour of children is influenced by many factors, including their parents and other close relatives, teachers, peers at school, community and the media.

Children are very susceptible to any and every influence; Athar (2011) said, "They are like molten cement. Anything that falls on them makes a

lasting impression". Their minds are like virgin soil, ready to accept any seed. As they grow, their organs of reception start working and accept new ideas and influences. It is up to parents and educators to screen the experiential factors that influence a child's development so that they can learn to accept the right ideas and behaviours and reject the wrong influences (Athar, 2011).

With the above statements in mind, this study only used students who were doing an entrepreneurship programme and those who were studying in the universities located in the Western Cape, in order to investigate how family influences shape their entrepreneurial decisions. The study included both undergraduate and postgraduate students, as both groups of students were still in the process of nurturing and enhancing their skills and entrepreneurial intentions. Based on students' answers in the questionnaires, these intentions of the study were confirmed as none of the students have yet decided to start a business.

1.7. PRELIMINARY LITERATURE REVIEW

This section describes the point of departure of this study in relation to the debate in the field. For the purpose of this study, and to stay within the framework of the research question, the literature review only focuses on the various variables of the study, that is social, cultural, and socio-economic values, as well the concepts of self-efficacy and entrepreneurial intentions. In this section, these constructs are briefly outlined. A deductive approach is used during the discussion about the variables.

1.7.1. Theoretical models that underpin this study

1.7.1.1. The Theory of Reasoned Action

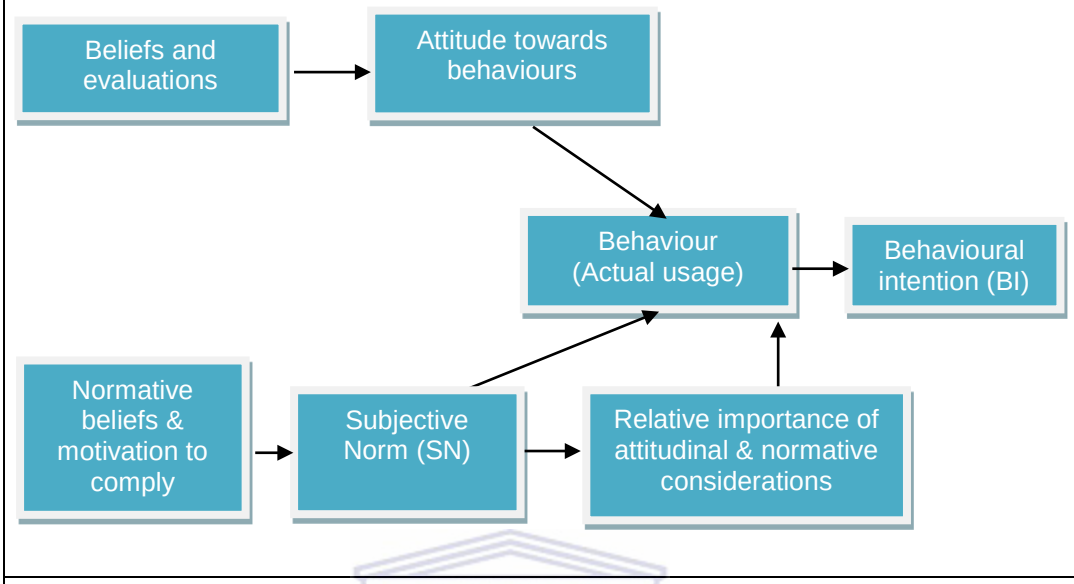

Figure 1.2: The Theory of Reasoned Action

Source: Ajzen & Fishbein, 1980

The Theory or Reasoned Action (TRA) in the preceding Figure 1.2 shows that behavioural intention is an individual's cognitive strength of the intention to perform a specific behaviour, where the two main constructs are attitudes and subjective norms. Detailed information about this theory is provided in Chapter 3.

1.7.1.2. Theory of Planned Behaviour

Though a number of studies have been performed using different theoretical models such as Entrepreneurial Event Mode (Shapero, 1975, Shapero & Sokol, 1982), an interactional Model of Implementing Entrepreneurial Ideas (Bird, 1988), the Maximisation of the Expected Utility (Douglas & Shepherd, 2002) and the Theory of Planned Behaviour (TPB) (Ajzen, 1991), the TPB has been mostly used in recent studies of the entrepreneurial intention (Liňáń *et al.*, 2009).

As presented in Figure 1.3 below, intention and perceived behavioural control are the sole predictors of real behaviour, and therefore this behaviour is under actual control of the individual who is trying to perform it.

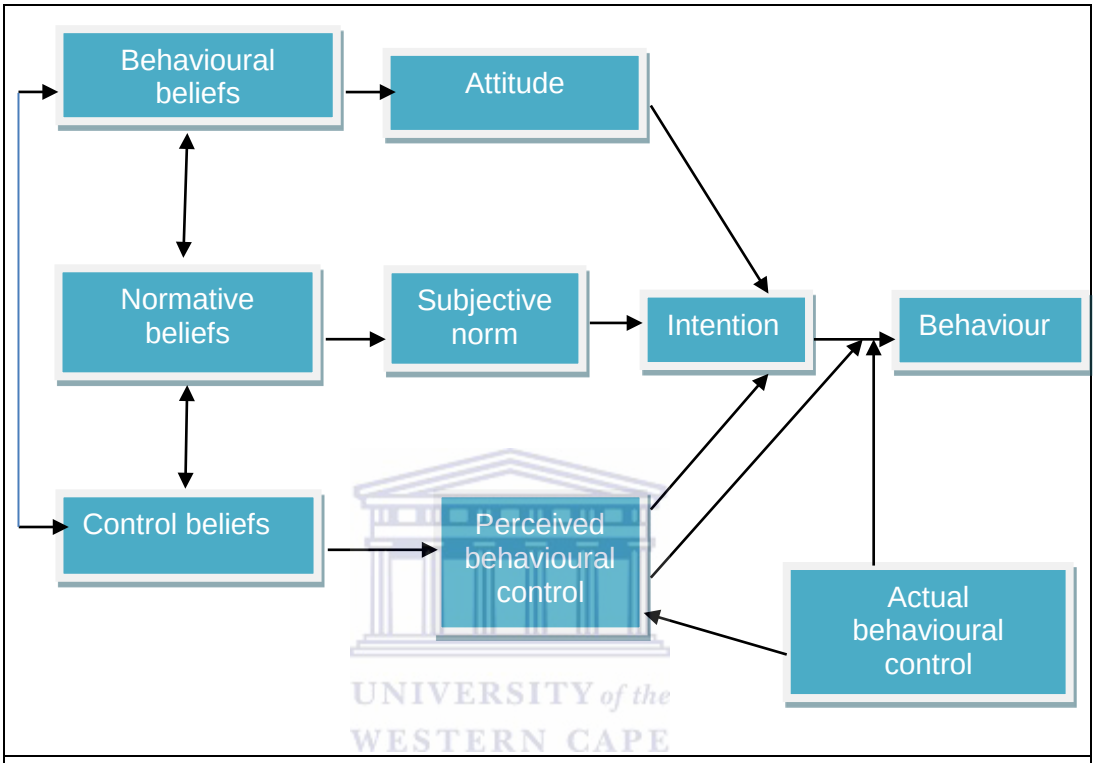

Figure 1.3: The Theory of Planned Behaviour

Source: Ajzen (1991)

As can be seen from Figure 1.3, the Theory of Planned Behaviour proposes that intentions to perform behaviour are a result of attitude, subjective norms and perceived behavioural control. Further information about this theory is provided in the literature review chapter (Chapter 3).

The purpose of this study was to investigate how social values, cultural and socio- economic factors influence entrepreneurship students' intentions to become entrepreneurs. Becoming an entrepreneur is a behaviour that can be intentional and planned. With the TRA proposing that intention is the cognitive representation of a person's readiness to perform a given behaviour (see Chapter 3), and the TPB holding that only

specific attitudes toward the behaviour in question can be expected to predict that behaviour (see Chapter 3), it was then found that these two theories are related to people's behaviour, and that intentions are antecedent to a behaviour. Hence, these theories were chosen to be the foundation for the current study.

1.7.2. Theories on the constructs of the study

1.7.2.1. Social values

Unlike psychological aspects (personal settings), social aspects (family, work, education) have been largely recognised as crucial in shaping entrepreneurial decisions (Kinyua, 2013:334) and the current study strove to determine their sphere of influence in the South African environment. Léon, Descals and Dominguez (2007:73) agree with the above statement, as they asserted that research on individual differences between entrepreneurs and non-entrepreneurs, to determine the characteristics of a typical entrepreneurial personality, has not achieved sufficiently sound results. The results of research have rather been subjected to an enormous amount of criticism, both methodological and theoretical, and this has shown the inadequacy of personality traits for predicting entrepreneurial behaviour.

In similar vein, Léon *et al.* (2007:73) affirmed that coming from a family with links to business or with its own firm, gradually familiarises a person with the world of commerce – research has shown that 30% of the parents of entrepreneurs are small businessmen/women or self-employed people, compared to 19% in the case of parents of non-entrepreneurs.

On the gender variable, a number of cross-continent studies have indicated that, in general, the ratio of men to women entrepreneurs is 1.8 to 1, so that practically twice as many men are involved in entrepreneurial activity as women (Castro, Pistrui, Coduras, Cohen & Justo, 2002). Through the section on respondents' characteristics, the current study also showed the level of women's interest in participation in entrepreneurial

education arising from family backgrounds. As far as work experience is concerned, it was found that a significant relationship does indeed exist between work experience in a small business and interest in setting up one's own business (Kolvereid, 1996).

With regard to education, Bechard and Toulouse (1998) and Gorman, Hanlon and King (1997) postulated that some studies have suggested that entrepreneurship behaviour can be stimulated through formal education programmes. This view is supported by Léon *et al*. (2007:74) who asserted that education can stimulate the development of entrepreneurial behaviour in different ways, such as an increase of knowledge about the setting-up and management of the businesses as well as the promotion of personal attributes associated with the entrepreneurs. These can be motivators to achieve an internal locus of control or self-efficacy.

Another aspect of social variables is social support. This refers to the candidate's expectations and beliefs about the support they will get from the groups to which they belong (parents, siblings and spouse) and from other reference groups (friends, colleagues and teachers) in the process of setting up a business or being self-employed. This aspect has been recognised as important in the explanation of a person's behaviour about venture creation, mainly after Ajzen's (1991) Theory of Planned Behaviour which explains choice of professional career.

While some scholars have considered the psychological variables as having an impact on entrepreneurial intentions, Fini, Grimaldi, Marzocchi and Sobrero (2009:3) noted that psychological characteristics (individual skills and environmental influence) have only an indirect impact on entrepreneurial intention, while attitudes predict direct entrepreneurial intention. Though the current study has alluded to these psychological aspects (need for achievement, internal locus of control, the capacity for taking risks, perseverance, creativity and initiative), it was not in its scope to measure their sphere of influence on university entrepreneurship

students and how they impact on the units of analysis of this study, i.e. entrepreneurial intentions.

1.7.2.2. Cultural values

Some authors have defined culture in the following ways: the configuration of stereotyped patterns of learned behaviour which are handed from one generation to the next through the means of language and imitation (Barnouw, 1979); patterns of values, ideas and other symbolic-meaningful systems as factors in the shaping of the human behaviour (Kroeber & Parsons, 1985); and the collective programming of the mind which distinguishes the members of one human group from another and which includes systems of values (Hofstede, 1980:25).

Entrepreneurial activity (i.e. new venture creation) may be one of these behaviours that vary across societies due to the differences in cultural values and beliefs. Many factors underlying entrepreneurial behaviour are common across culture (such as economic incentives). On the other hand, since culture strengthens certain personal characteristics and penalises others, one would expect some cultures to be more closely aligned with an entrepreneurial orientation than others (Mueller & Thomas, 2001:59). This assertion finds its confirmation in a study done by Huisman (1985) who noted a wide variance in entrepreneurial activity across cultures and concluded that cultural values influence entrepreneurial behaviour.

The current study assumed that culture influences entrepreneurial decisions of university students and, through the aspects of language, religious beliefs, customs and traditions, strove to investigate their sphere of influence in the South African context.

1.7.2.3. Socio-economic values

Similar to the previous variables of the study, there is also a wide body of literature analysing the effect of socio-economic variables on start-up behaviour (Liñán *et al*., 2009). The U-shaped relationship between

economic development level and entrepreneurial activity is one example (Wennekers, Van Stel, Thurik & Reynolds, 2005).

In their study, Liñán *et al*. (2009) provided an illustrative example of Spanish society which is economically unbalanced with regard to income levels, economic growth rates, employment and unemployment, education, age structure and many other factors. By surveying the different regions, one would expect to find out how these variables influence the perceptions of and intentions towards entrepreneurship. It is in this context that the current study found its relevance to review further literature on the matter, and to establish the extent to which those variables impact on entrepreneurial intentions of entrepreneurship students in the Western Cape.

1.7.2.4. Self-efficacy

In the view of Bandura (1989, 1997), self-efficacy reveals individuals' innermost opinion about whether they have the abilities considered necessary to afford a task with the conviction that they will be able to effectively convert these skills into an expected result. Self-efficacy is a vital factor in deciding human agency (Bandura, 1989), as it has convincingly shown that those with high self-efficacy for a certain task are more likely to pursue and persist in that task (Bandura, 1997). Regardless of the field or domain, self-efficacy or self-confidence is grounded on people's self-perceptions of their skills and abilities (Wilson, Kickul and Marlino, 2004: 5).

Boyd and Vozikis (1994) and Bird (1988) posited that self-efficacy impacts the development of both entrepreneurial career intentions and subsequent actions. Bandura (1997 & 1989) stipulated that a person can have a high self-efficacy in one area, but low self-efficacy in another – implying that self-efficacy is domain-specific. Markham, Balkin and Baron (2002) added that, throughout their lives, self-efficacy motivates people far more than

objectives, while their perceptions deeply affect both their affective states and their behaviours.

Using self-efficacy as one factor of socio-cognition that influences career aspirations, Bandura, Barbaranelli, Caprara and Pastorelli (2001) discovered that academic self-efficacy, for example, had the strongest direct effect on children for their career aspirations. Markham *et al.* (2002) argued in support of the current study, suggesting that self-efficacy reliably predicts scope of career options considered, occupational interest, perseverance in difficult fields and personal effectiveness.

In the view of Wilson, Kickul & Marlino (2004:5), the relationship between self-efficacy and career choice has been well established in the career theory literature, despite most of these studies not having included specific career options around entrepreneurship. However, they are convinced that the same effects of self-efficacy would exist in entrepreneurial careers and that self-efficacy, or belief in one's ability to succeed as an entrepreneur, would seem to be a crucial factor, given the complex tasks involved for an individual to identify an opportunity, put resources together, set up a business and build it into a successful venture.

De Noble, Jung and Ehrlich (1999) stated that the entrepreneurial role is not clearly defined and many uncertainties may exist regarding the success of one's venture. While these uncertainties may constitute the entrepreneur's barriers, especially in the start-up phase, it is also true that the entrepreneur's uncertainties surrounding the likelihood of success would seem to be inextricably linked to the belief they have about succeeding (self-efficacy).

These mastery experiences or, simply put, "learning by doing", appear to be basic in determining our self-confidence to successfully perform future tasks that are perceived to be similar or related (Cox, Mueller & Moss, 2002). Providing opportunities to conduct feasibility studies, develop business plans, and anticipate in running simulated or real business

through entrepreneurship education can therefore potentially play an important role in developing self-efficacy in individuals. This argument correlates with one of the objectives of the current study which was to investigate the extent to which studying entrepreneurship enhances self-efficacy among entrepreneurship students in Western Cape universities.

1.7.2.5. Entrepreneurial intention

Studies conducted by a strong body of researchers concluded that a clear relationship exists between entrepreneurial self-efficacy and entrepreneurial career orientations. These researchers (Scott and Twomey, 1988; Chen, Greene and Crick, 1998; De Noble *et al*., 1999; Krueger *et al*., 2000; Wang, Wong and Lu, 2002; Segal, Borgia & Schoenfeld, 2005) ascertained that if people have higher entrepreneurial self-efficacy, they also possess a high level of entrepreneurial intentions. In most of these studies, it has been observed that if respondents possess a high entrepreneurial self-efficacy as well as a higher degree of belief that they possess a viable idea for a new business, they are more likely to believe that they also have an actionable idea. The current study was intended to investigate how social, cultural, socio-economic values and entrepreneurial self-efficacy stimulate the intention of creating a venture.

Further research on the concept of intentionality was undertaken by Bird (1988), and then refined by Boyd and Vozikis (1994); all reached the same conclusions, namely that self-efficacy has an impact on the development of both entrepreneurial career intentions and subsequent actions. Bird (1988) claimed that ultimate actions are selected by people, based on their judgments or perceptions of personal self-efficacy. Boyd and Vozikis (1994) expanded on Bird's view, suggesting that if people possess a high level of entrepreneurial self-efficacy in the early stages of career development (such as students starting up university studies in the current study), they will have higher entrepreneurial intentions. If these individuals are in possession of both higher self-efficacy and higher intentions, the

result will be a higher probability of getting involved in entrepreneurial activity in later life.

The study also analysed the study done by Krueger *et al*. (2000) and Shapero and Sokol (1982) that incorporated self-efficacy into a proposed model of entrepreneurial career intentions. In the same vein, David Birch called strongly for an increase in the use of these mastery experiences in encouraging entrepreneurship, by providing lengthy and meaningful apprenticeships, and he argued that most entrepreneurship programmes fall short in this area (Aronsson, 2004).

1.8. RESEARCH DESIGN

Rowley (2002) defined research design as “the logic that links the data to be collected and the conclusions to be drawn to the initial questions of a study; it ensures coherence”. She suggested that another way of viewing a research design is to see it as an action plan for getting from the questions to conclusions.

Cooper and Schindler (2003) maintained that no single research design definition imparts the full range of important aspects. They did, however, define it as “the plan and structure of investigation so conceived as to obtain answers to research questions”.

This chapter describes the methods used to gather data, the data analysis and the interpretation in order to achieve the research objectives.

1.8.1. Population

Bless *et al.* (2011) ascertained that the entire set of objects or people, which is the focus of the research and about which the researcher wants to determine some characteristics, is called the population. There are four universities in the Western Cape – the University of Cape Town (UCT), the University of Stellenbosch (US), the University of the Western Cape (UWC) and the Cape Peninsula University of Technology (CPUT). The

population of this study was the entrepreneurship students from these four universities.

1.8.2. Sampling

Sampling is the use of a subset of the population to represent the whole population. Saunders, Lewis and Thornhill (2003:150) claimed that the purpose of sampling is to "provide a range of methods that enable you to reduce the amount of data you need to collect by, rather than all possible cases".

Saunders *et al*. (2003) further argued that there are generally two categories of sampling:

a. **Probability sampling**: whereby each case or element of the population has a known probability, not equal to zero, of being selected into the sample. The essential part of probability is that it represents the population.

b. **Non-probability sampling:** whereby the researcher is unable to determine the chance of an element from the sample being selected.

Non-probability sampling techniques cannot be used to infer from the sample to the general population. Any generalisations obtained from a non-probability sample must be filtered through one's knowledge of the topic being studied (Labour Law Talk, 2007).

This study used probability sampling which involves selecting elements randomly – following a random procedure which eliminated the bias inherent in the non-probability sampling procedures, because the probability sampling process was random (Saunders, 2003). Therefore, since all entrepreneurship students were given the opportunity to voluntarily participate in the study, the sample obtained can thus be described as a convenience sample.

1.8.3. Sample group

Statisticians know that a small, representative sample will reflect the group from which it is drawn. The larger the sample, the more precisely it reflects the target group. However, the rate of improvement in the precision about the sample size is based on factors such as time available, budget and necessary degree of precision (The Survey System, 2006). Cooper and Schindler (1998) articulated that in order to secure a sample, it is important to take into account elements such as relevant population, sampling frame, type of sample, size needed and the cost involved.

To be successful in choosing a sample, the researcher must strive to fulfil the following three conditions, as outlined by Cooper and Schindler (2003):

- The respondent must possess the information being targeted by the investigative questions.
- The respondent must understand their role in the interview as the provider of accurate information.
- The respondent must perceive adequate motivation to co-operate.

For the purpose of this study, the sample consisted of students majoring in the entrepreneurship stream from the four aforementioned universities in the Western Cape. These students were briefed as to the nature and importance of the study, and were ensured of confidentiality.

1.8.4. Development of the instrument for primary data collection

A questionnaire as a research instrument was developed and was filled in by students who were respondents of this study. A questionnaire is an instrument which comprises of a series of questions that can be answered by the respondents themselves (Labovitz & Hagedorn, 1981). Advantages are that it provides a rigid response structure to ensure that all participants address the same items and that structured items are more comparable from one person to the next and are generally easier to analyse. It also yields categorical data where one can count how many subjects mark

each alternative (Lehman, 1991). These types of data are useful for describing the sample and allow for coding and classifying items into groups (Martelli, 1997).

1.8.5. Content of questionnaire

The questionnaire was set based on the main variables of the topic: social factors, cultural factors, socio-economic values, entrepreneurship self-efficacy, and intention of venture-creation. The content of the questionnaire comprised of demographic information (nominal data) and rating scale items that yield numeric values. Nominal data allows for classification of individuals, for example: gender: male or female (Martelli, 1997). Ordinal data was also used. Ordinal data implies a rank order of importance or a sequence of order (Martelli, 1997), for example: participants were asked to rate the parents' influence, from strongly disagree to strongly agree.

Different types of questions were asked. Firstly, a closed-ended response format was used to maintain a direct questioning style whereby subjects were given possible answers to select from. This closed-ended format was used in conjunction with statements having a rating scale where respondents had to indicate the extent to which they agree or disagree with a series of statements. Secondly, an open-ended style was used. This format enables respondents to write a response in their own words, to explain and qualify their responses and avoid the limitations presented by the closed-ended format. The questionnaire was developed and introduced to participants in the English language.

1.8.6. Draft questionnaire

According to Zikmund (2003), a research survey is only as good as the questions it asks. Relevance and accuracy are the two basic criteria to be met if the questionnaire is to achieve the researcher's purpose. During the process of drafting the questionnaire, the researcher was guided by the

following questions in order to achieve the relevance and accuracy referred to as the two main basic criteria of a sound questionnaire:

1. What should be asked?
2. How should each question be phrased?
3. In what sequence should the questions be arranged?
4. What questionnaire layout will best serve the research objectives?

The draft questionnaire contained information regarding the main constructs of the study, namely social factors, cultural factors, socio-economic values, entrepreneurship self-efficacy and entrepreneurial intentions.

1.8.7. Pilot-test

After the draft questionnaire had been finalised, the researcher administered a pilot-test. The purpose of pilot-testing is to check factors, such as variation, meaning, task difficulty, respondent attention, flow, order of questions and timing (Baker, 2003). This process allowed the researcher to clear any confusion or ambiguity in the questionnaire and to ensure that the relevance and accuracy as suggestions, corrections and observations from pilot-test respondents would be considered.

1.8.8. Final questionnaire

After the pilot-test, the researcher embarked on finalising the questionnaire which was used to gather data for statistical analysis. The final questionnaire was clear, free of ambiguity and comprised of all the needed questions to generate the expected results.

1.8.9. Completing/filling in the questionnaire

The respondents of the study were undergraduate and postgraduate entrepreneurship students. The researcher engaged with the lecturers in order for the latter to allow a few minutes for the completion of the

questionnaire in the classrooms. In most cases, this was done in the presence of the researcher.

1.8.10. Questionnaire collection

Once the questionnaires had been completed in the presence of the researcher, the latter immediately collected the questionnaires. If the questionnaires were filled in during the absence of the researcher, the latter collected them from the lecturer with whom he had made prior arrangements.

1.8.11. Analysis of primary data

While most researchers begin analysis of the data with some form of descriptive analysis with the purpose of reducing the raw data into a summary format, this study went beyond this simple tabulation of frequency distributions and calculations of averages, and conducted bivariate and multivariate tests of statistical significance. Since the study investigated the relationship between three variables at one time, it required multivariate data analysis. The following are those variables and the relationships which were investigated:

1. The impact of social values, cultural factors and socio-economic values on self-efficacy;
2. The impact of social values, cultural factors and socio-economic values on entrepreneurial intentions; and
3. The impact of self-efficacy on entrepreneurial intentions.

Research that involves three or more variables or that is concerned with underlying dimensions among multiple variables, involves multivariate statistical analysis. The multivariate data analysis is used to analyse multiple variables or even multiple sets of variables simultaneously (Zikmund, Babin, Carr & Griffin, 2010:581).

1.8.12. Triangulation

Cohen and Manion (1997) asserted that triangulation implies using different methods on the same object of study. This study used triangulation to cross-validate data sources and data collection methods to determine whether the same patterns and themes occurred (McMillan & Schumacher, 1993). The intention of triangulation is to enhance the credibility of the data, especially when the phenomenon under study is based on the participants' construct of reality (Leedy, 1997). Triangulation is a useful technique where there is a "multiplicity of perspectives in a social situation" (Cohen & Manion, 1997:241).

1.8.13. Validity and reliability

According to Leedy (1997:32), validity entails that the research instrument measures what it is supposed to measure; that is "the soundness, the effectiveness of the measuring instrument". The data collecting instruments were thoroughly evaluated on an on-going basis for validity and reliability (Leedy & Ormrod, 2005).

Hussey and Hussey (1997:57) articulated that validity is the extent to which the research findings accurately represent what is really happening in the situation. For the purpose of this study, the measuring instrument ensured face validity by actually measuring the extent to which the intention for venture-creation could be stimulated by social, cultural and socio-economic aspects through self-efficacy acquisition. On the other hand, the content validity was ensured so that all the constructs (social aspects, cultural aspects, socio-economic values, self-efficacy and intention to venture-creation) were fully measured and operationalised.

Reliability refers to an instrument yielding similar results consistently (Leedy, 1997). This method refers to the comparison of two administrations of the same instrument separated over a time interval (Leedy, 1997). For the purpose of this study, reliability was ensured by providing some trap questions in the questionnaire to check that

respondents did not contradict themselves. Furthermore, reliability and validity can be achieved by reviewing the models and data-collecting tools that are based on proven instruments developed by accredited international practitioners. This study used an instrument adapted from an already used one, on a study about entrepreneurial intentions in Singapore. At the same time, data reliability and validity tests were done by comparing and contrasting the frequencies and statistical inferences.

Cronbach's Alpha was used to measure the reliability of the research tool. Cronbach's Alpha is viewed as a measure of how accurately the sum score of selected constructs captures the expected score of the whole research tool. A reliability coefficient of 0.70 or higher is considered acceptable (De Vaus, 2007).

1.8.14. Ethics

This study complied with the ethical considerations specified by the Ethics Committee at the University of the Western Cape. The candidate also examined the ethical guidelines of the Social Research Association of the United Kingdom (UK). Furthermore, the candidate is an academic staff member at the Cape Peninsula University of Technology. In view of this, the candidate committed to the following:

- Abide by the principles of privacy, confidentiality, and the responsible use of information obtained in the research process.
- Obtain the consent of the research participants on the basis of their full understanding of the nature of the study and its intent.
- Undertake the study with due consideration for the rights of students who are also the referent objects of the study.
- Strive to be unbiased and fair in gathering the research evidence and responsible in its reporting.

- Be thorough and accurate in work pertaining to the study and, in so doing, satisfy the requisite academic and institutional requirements and standards.
- Present the findings and recommendations of the study for feedback to the relevant stakeholders before the final dissertation is submitted.
- Obtain ethical clearance from all four universities from which he collected data.

1.9. SCOPE AND DELIMITATIONS OF THE STUDY

It is not logistically possible to include all 23 universities of South Africa as they are located in seven provinces of the country[1]. Issues such as time and budget constraints constitute a major hindrance. This research limited itself to four universities under the jurisdiction of the Western Cape Province; the researcher believes that these universities host a large number of students from all nine provinces, and therefore the findings of this study can be deemed to represent the trend in the whole country.

Other limitations include the following:

- Only entrepreneurship students of universities in the Western Cape were interviewed.
- The study was concerned only with the social and cultural values and socio-economic factors of the students.
- The study was limited to only the five constructs of the study, namely social aspects, cultural aspects, socio-economic values, self-efficacy and intention of venture-creation, in accordance with the above-outlined methodology.

[1] When this research project started (January 2012), two provinces (Northern Cape and Mpumalanga) did not have any university in their jurisdiction. At the time of completion (October 2014), Sol Plaatje University had already opened its doors at Kimberley in the Northern Cape, while the University of Mpumalanga had also been opened in Nelspruit.

1.10. CONTRIBUTION TO KNOWLEDGE

In order to remain competitive, South Africa as a growing economy needs support from research in various fields. Entrepreneurship has proved to be a strong enhancer of economic growth, and therefore research on this topic, through its findings, will make a significant contribution to policymaking in teaching entrepreneurship as well as in business management.

Furthermore, research in this field will contribute to the on-going theory development in entrepreneurship, especially in South Africa, a country which continues to be ranked low in entrepreneurship initiatives. With a lower level of enterprise creation in South Africa, economic growth suffers greatly and job creation remains a daunting task in a country that experiences a ravaging level of crime. Finally, this study, through its findings, will enrich the discussion regarding teaching entrepreneurship and enhancing entrepreneurial thinking in South Africa.

1.11. CHAPTER OUTLINE

Preliminary section

This section provides the reader with the information concerning the cover page, declaration, abstract, acknowledgements, and table of contents, key words, list of figures, list of tables and list of abbreviations.

Chapter 1: Introduction to the study

Chapter 1 reflects the generic picture of the whole research. This chapter presents the introduction and background of the study, the rationale, objectives, research questions, hypotheses and the structure of the literature review, conceptual and theoretical framework, as well as the methodology used to carry out the research.

Chapter 2: South Africa's entrepreneurial context

This chapter contextualises the study by exploring the history and the current state of entrepreneurship training in South Africa. The methods used as well as categories of institutions that provide entrepreneurship training in South Africa are discussed. Finally, the chapter discusses the benefits and achievements of entrepreneurship training.

Chapter 3: Theoretical models

Since any research must be placed in its relevant context, this research also analysed the literature pertinent to the research problem at hand. The most relevant and recent literature about social, cultural values, socio-economic values and self-efficacy were reviewed by the researcher and are discussed in this chapter. At the same time, the most important theories and models that are related to the problem under investigation are highlighted. The Theory of Planned Behaviour and the Theory of Reasoned Action constitute the framework of the study, and the discussion is guided by this framework.

Chapter 4: Entrepreneurial intentions (decisions)

This chapter provides more literature about entrepreneurial intentions, which is the main topic of the whole study. The chapter discusses how entrepreneurial intentions are strengthened by the social, cultural and socio-economic values of university entrepreneurship students. This chapter alludes to how other scholars have discussed students' entrepreneurial intentions from various environments around the world.

Chapter 5: Research methodology

This chapter describes the instrument utilised to carry out the research. It also discusses the sampling technique, the data collection methods such as questionnaire design, pilot-test, the completion of the questionnaire as well as ethical issues.

Chapter 6: Statistical data presentation and analysis

This chapter presents the findings from the questionnaire as given from the respondents' perspective. The chapter also presents the results from the questionnaire survey. The results are presented in a way that facilitates the interpretation in the following chapter. This data presentation allows visualising the general perceptions of the students, from which further analyses were conducted using more advanced statistical analyses.

Chapter 7: Multivariate data and qualitative interpretation

This chapter presents the multivariate data and the qualitative interpretation of the findings, during which results are compared with the study hypotheses and information from the literature review. In this chapter, a model of entrepreneurial intentions among university students in Cape Town is also suggested.

Chapter 8: Summary, conclusions and recommendations

The final chapter presents a summary of the entire research, mainly the findings. The chapter then discusses the extent to which the research objectives have been achieved. Furthermore, the chapter draws the conclusions before formulating the recommendations.

CHAPTER 2
SOUTH AFRICA'S ENTREPRENEURIAL CONTEXT

2.1. INTRODUCTION

The purpose of this chapter is to place the study in the historical background of entrepreneurship education and training in South Africa, by showing how it evolved from business, social and academic contexts, since it first gained recognition as an important field of study. Franke and Lüthje (2004:1) pointed out that fostering innovations and new product development through entrepreneurship has not been regarded as a primary task of South African universities until recently, but perspectives have changed in this respect and there have been numerous attempts to enhance the role of university graduates as founders of innovative businesses.

South Africa opened up to the global market in 1994 after adopting a new political dispensation, and can thus be seen as a new-born to the global economic system (Laine, Van der Sijde, Lahdeniemi & Tarkkanen, 2008:45). Furthermore, to enhance economic growth, and strengthen that position as a global player, the government has identified entrepreneurship and innovation as a high priority to create wealth for all the people of South Africa (Laine *et al.*, 2008:45).

Fiest (2001), Hills and Morris (1998), and Vesper and McMullan (1988) posited that the United States of America has a comparatively long tradition of fostering entrepreneurs at universities and business schools, and was the first to offer the entrepreneurship courses at Harvard Business School as early as in the 1930s, but this field has seen increasing attention in the USA since the 1970s.

The situation reflected in Table 2.1 below is quite alarming in the sense that it shows how, from 2002 until 2010, South Africa has been ranked below the median with regard to total entrepreneurial activity (TEA). With

such a low rate of TEA, it shows that a lot needs to be done to change the country's entrepreneurial position. This situation validated the reasons to undertake the current study.

Table 2.1: The relative ranking of South Africa's (SA's) entrepreneurial activity (2002-2010)

Year	SA's TEA* ranking	SA's TEA rate	Median	Number of positions above/below median
2002	20th out of 37 countries	6.3	19	1 below
2003	22nd out of 31 countries	4.3	16	6 below
2004	20th out of 34 countries	5.4	17	3 below
2005	25th out of 34 countries	5.2	17	8 below
2006	30th of out 42 countries	5.3	21	9 below
2008	23rd out of 43 countries	7.8	22	1 below
2009	35th out of 54 countries	5.9	27	8 below
2010	27th out of 59 countries	8.9	30	3 below

Source: GEM (2010:17)

*TEA: Total Entrepreneurial Activity

2.2. RATIONALE OF ENTREPRENEURSHIP EDUCATION/TEACHING

> "Entrepreneurship education has a positive effect on the entrepreneurial mindset of young people, their intentions towards entrepreneurship, their employability and finally on their role in society and the economy" (European Commission, 2012:7).

Fiest (2001) stated that the entrepreneurship education field has witnessed explosive growth over the last three decades and it is finding support from various researchers. For example, North (2002:348) noted that as South African youth are faced with many problems such as crime, corruption, mismanagement and unemployment, one of the ways to escape this is for young people to be trained and educated in the field of entrepreneurship which will, hopefully, encourage them to become job-creators rather than job-seekers once they leave the educational system (Co & Mitchell, 2006:348).

Similarly, Venesaar, Kolbre and Piliste (2006) ascertained that nurturing entrepreneurship among students has become an important topic among universities, governments and researchers. North's proposition (2002) that education should support entrepreneurial initiatives is in contrast with Jacobowitz and Vilder's (1982) opinion that previous research hypothesised that entrepreneurs are less educated than the general population. These two statements, pronounced 20 years apart, clearly show that scholars had already started to shift their minds about the role of education for entrepreneurship as early as in the beginning of the 2000s.

Both of these arguments have supporters. Bates (1995) and Bowen and Hisrich (1986) support North's argument that a number of recent studies, through empirical evidence, suggest that people who start businesses have a higher level of education than people who do not. Furthermore, Robinson and Sexton (1994) underscored the argument when they posited that the study of census data provides convincing evidence that business owners are more highly educated than the general public.

Ensuring that entrepreneurship education is both relevant and effective for the potential young entrepreneurs should be a top priority for educators (Wilson *et al.*, 2004). Providing entrepreneurship training at an early age is potentially important in order to prevent the entrepreneurship career option from being discounted by students early in their lives. Other research also indicates the importance of entrepreneurship education at college levels in order to increase both interest in the area and the level of overall preparedness (Dyer, 1994); (Kourilsky, 1995). The trainee/student needs to be convinced that these competencies have been mastered (Krueger, 1993). The key issue then is the effectiveness of the education in raising self-efficacy levels.

Kourilsky and Walstad (1998) provided evidence that young people of both sexes believe that their lack of understanding of entrepreneurship can be addressed with future training, and are therefore likely to be highly receptive to educational offerings. A study conducted by Luiz and Mariotti (2011:61) states that South African students generally have a positive attitude toward entrepreneurship, as over 83% of the respondents view it as an honorific profession and they respect the people who practise as entrepreneurs. The same study reveals that more than half of the respondents see themselves opening up their own businesses as soon as possible, and consider themselves as risk-takers.

Friedrich and Visser (2005:5) ascertained that job creation and improvement of competitiveness are the results of entrepreneurial spirit. In South Africa, the perceived availability of business opportunity and business skills level of the people studied in 2001, 2002 and 2008 were well below the international mean. This issue, paired with a lower level of entrepreneurship, creates a major problem in the effort of job creation (Driver, Wood, Fisher, Herrington and Segal, 2003:3; Herrington, Kew and Kew, 2009).

Like many other aspects of human expansion, entrepreneurial attributes such as personality traits, skills, aptitudes and desires can also be

developed through the educational system (Gurol and Atsan, 2006). Mahadea (2001:193) articulated that through appropriate training, an individual's capacity to take risks can be nurtured and developed. In the same vein, Yu-Fen and Ming-Chuan (2010) emphasised the necessity of entrepreneurship education from an early age, when they postulated that potential entrepreneurs should be developed while still students. Similarly, Fatoki (2010:92) and Urban, Botha and Urban (2010:135) support the argument by stating that the necessary skills and confidence to undertake entrepreneurial activity can be developed through entrepreneurial education.

Supporting entrepreneurship should be everybody's responsibility, including business people who boast about their impact on heightening the economy of the country. They should also get more involved in schools so that they can invest in communities, which would actually enhance their impact with regard to developing the next generation of entrepreneurial employees and potential entrepreneurs. And, as highlighted by Kroon, De Klerk and Dippenaar (2003:322), the absence of youth entrepreneurial leadership programmes, together with employers who are less enlightened about the urgency of the problem, makes it a serious problem.

While many authors support the role of education in opening up the students' minds about entrepreneurship, Kourilsky (1995) and Timmons (1994) opined that education prepares students for the corporate domain while promoting a "take-a-job" mentality, and suppresses creativity and entrepreneurship, as argued by Plaschka and Welsch (1990) and Chamard (1989).

2.3. ENTREPRENEURSHIP EDUCATION AND TRAINING

Entrepreneurship education and training consists of three dimensions, with each being influenced by a number of factors, as presented in Table 2.2 below.

According to Ladzani and Van Vuuren (2002), the three dimensions of entrepreneurship education and training (motivation, entrepreneurial skills and business skills) are inseparable for the achievement of entrepreneurial behaviour. In the same way, creativity, innovation, interpreting role models, etc. influence entrepreneurial skills, whereas the functional areas of finance, marketing, operation and human resources, etc. influence the dimension of business skills.

Table 2.2: Content of entrepreneurial performance training

Motivation	Entrepreneurial skills	Business skills
Need for achievement	Creativity	
Ability to inspire	Innovation	
Expectations of the higher achiever	Ability to take risks	
Obstacles or blocks	Ability to identify opportunities	
Help	Ability to have a vision for growth	Human resources skills
Reactions to success or failure	Ability to interpret successful entrepreneurial role models	
Source: Ladzani and Van Vuuren (2002)		

Table 2.3 below is the GEM's analysis of the entrepreneurship framework in South Africa. It analyses the availability of finances, how government policies support entrepreneurship, the availability of infrastructure, provision of training and education, and the role of culture and social norms in shaping entrepreneurship.

Table 2.3: The GEM entrepreneurial framework conditions		
Entrepreneurial finance	**Government policy**	**Government entrepreneurial programme**
The availability of financial resources, equity and debt, for new and growing firms, including grants and subsidies.	The extent to which government policies (such as taxes) are either size-neutral or encourage new and growing firms.	The extent to which taxes or regulations are either size-neutral or encourage new and growing firms.
Entrepreneurial education	**Research and development transfer**	**Commercial and legal infrastructure**
The extent to which training in creating/managing new, small or growing business entities is incorporated in the education and training system at all levels. There are 2 sub-divisions: Primary and secondary school. Entrepreneurship education & training; and post-school entrepreneurship education and training.	The extent to which national research and development will lead to new commercial opportunities, and whether or not these are available for new, small and growing firms.	The presence of commercial, accounting and other legal services and institutions that allow or promote the emergence of small, new and growing business entities.
Entry regulations	**Physical infrastructure**	**Cultural and social norms**
There are two sub-divisions: market dynamics, i.e. the extent to which markets change dramatically from year to year; and market openness, i.e. the extent	Ease of access to available physical resources – communication, utilities, transportation, land or space – at a price that does not	The extent to which existing socio & cultural norms encourage/discourage individual actions that might lead to new ways of conducting business or economic activities

to which new firms are free to enter existing markets.	discriminate against new, small or growing firms.	which might, in turn, lead to greater dispersion in personal wealth & income
Source: GEM (2010:28)		

2.3.1. Definitions

Entrepreneurship refers to an individual's ability to turn ideas into action. It includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives (European Commission, 2012:7). Entrepreneurship education should strive to achieve the following objectives:

- Improvement of the entrepreneurship mindset of young people to enable them to be more creative and self-confident in whatever they undertake and to improve their attractiveness for employers.
- Encourage innovative business start-ups.
- Improvement of entrepreneurs' role in society and the economy.

Many people tend to use the concepts of entrepreneurship education and entrepreneurship training synonymously and, though distinctions can be made, the current study also uses them interchangeably. Friedrich and Visser (2005:6) postulates that the two terms have not been formalised in the South African context, hence the convention of applying and using them had to be sourced elsewhere. For the purpose of this study, entrepreneurship education and training are defined as a lifelong learning process that instils entrepreneurial skills development, life management, interactions, self-guided actions, a capacity for innovation and ability to encounter change, where attitude, will and desire to take action combine with knowledge and advanced competence (Finland Ministry of Education, 2009).

Entrepreneurship education should not be confused with general business or economic studies, as its goal is to promote creativity, innovation and self-employment. Entrepreneurship training is an intentional effort to teach specific abilities, which are knowledge bearing, to complete the project better (Antonites, 2003:31). Antonites and Van Vuuren (2005) asserted that training creates new opportunities and possibilities as well as a consciousness to attempt and complete certain tasks in a different way. Entrepreneurship training is the coverage of the areas from economic development to business plan preparation, with a major focus on the entrepreneur. May (cited in Friedrich & Visser, 2005:46) defined entrepreneurship training as a process including issues such as creativity, innovation and the ability to take risks.

2.3.2. Entrepreneurship training in South African higher learning institutions: past and current settings

Training and education in entrepreneurship play a key role in transforming the South African economy from stagnation and jobless growth to that of a vibrant and high-growth scenario. To achieve this goal, it is essential to significantly enlarge the long-term supply of those who are entrepreneurially-inclined. This can only be achieved if entrepreneurship education and training take a central role (Friedrich & Visser, 2005).

> "Entrepreneurship is a matter of skill, not cultural inheritance. This is why entrepreneurship may be one of the most important channels through which education raises economic productivity" (Friedrich & Visser, 2005:30).

Though this assertion is inconsistent with one of the hypotheses of this study, it is still relevant, because it argues that education/training in entrepreneurship can always act as a catalyst to the desire of performing entrepreneurial activity.

What seems to be a challenge to the South African government is the high demand for entrepreneurship courses from students who want to grow

their entrepreneurial intentions, while entrepreneurship is a young and developing field of study in the country. Recognising the importance of the field of entrepreneurship in the global business environment, universities responded by increasing the number of faculties to deliver these courses, to modernise the administration of the programmes and to conduct research in the field (Co & Mitchell, 2006:349).

Similarly, South Africa has identified the development of small and medium enterprises (SMEs) as one of the vehicles for sustainable economic growth, with the youth having been identified as one of the targeted groups in the National Small Business Strategy (Friedrich & Visser, 2005:30). However, there are major setbacks, such as lack of education and training, which have impacted negatively on the management capacity in South Africa. The same reason is the basis for the low level of entrepreneurial creation, as well as the heightened level of failure rate (Maas & Herrington, 2007). With the exception of entrepreneurship academic qualifications, Herrington *et al.* (2009) criticised the quality of entrepreneurship training, which results in local entrepreneurs and graduate entrepreneurs having poor business and managerial skills. Co and Mitchell (2006:353) identified the following courses, listed in Table 2.4, offered in the area of entrepreneurship at South African higher learning institutions (SAHLIs):

Table 2.4: Courses dispensed in entrepreneurship in SAHLIs	
• Entrepreneurship	• Franchising
• Small business management	• Small business finance
• New venture creation	• Venture capital
• Family business	• Creativity management
• Innovation and technology	• Growth management
Source: Adapted from Co and Mitchell (2006:353)	

This list of courses offered by the SAHLIs confirms what many studies have shown that entrepreneurship education and training in South Africa lacks a practical component, hence the call by Scheepers *et al.* (2009) to the full-time academic staff members who teach entrepreneurship, to provide practical experience to inspire students to form their own business enterprises, otherwise a practical component should be included in course work which could be taught by an experienced entrepreneur.

In South Africa, some universities started to teach entrepreneurship as early as the1990s to as recently as 2002 (Co & Mitchell, 2006:352). These universities include three comprehensive universities, four universities of technology and eight traditional universities, as listed in Table 2.5.

In 2006, South Africa had a total of 23 universities and universities of technology. However, only 15 had already started an entrepreneurship programme, meaning that eight universities had not yet responded to the call. This unavailability of this crucial field in some universities translates to lack of awareness of entrepreneurship among the students, consequently resulting in poor entrepreneurial activity.

Table 2.5: Some South African universities that started teaching entrepreneurship in the 1990s		
Comprehensive universities	**Universities of Technology**	**Traditional universities**
Nelson Mandela Metropolitan University	Cape Peninsula University of Technology	University of Free State
North West University	Durban University of Technology	University of Johannesburg
Rhodes University	Mangosothu Technikon	University of KwaZulu-Natal
	Tshwane University of Technology	University of Pretoria
		University of Stellenbosch
		University of South Africa
		University of the Western Cape
		University of Witwatersrand
Source: Co and Mitchell (2006:352)		

Luiz and Mariotti (2011:49) ascertained that South Africa, as a relatively young democracy, highly inegalitarian, is faced with enormous challenges in its socio- and economic settings. Job creation is not happening at a satisfactory level, while the expectations of school-leavers to find jobs in the corporate world are very high. School-leavers have a scant idea of how to create their own businesses.

During the previous political dispensation, the economic settings in South Africa were satisfactorily served by Higher Learning Institutions (HLIs) in that they provided a resource pool for large corporations. As a consequence, there was the creation of a sentiment, among students, that

oriented them to only seek employment in large corporations in the formal sector. With the economy in transition, small businesses now account for an increasing proportion of economic activity; hence HLIs need to shift their focus and determine their role in the economy and society, specifically in what they offer (Co & Mitchell, 2006:349). The authors suggested the following ways through which HLIs can help create a more entrepreneurial disposition among young people:

- Instilling a clear understanding of risks and rewards
- Teaching opportunity seeking and recognition skills
- Creating enterprises
- Developing entrepreneurial traits in students
- Providing the necessary support for entrepreneurs
- Providing legitimacy to their endeavours.

The HLIs should go much further. They should become more active in economic development and link their research activities to local development, as well as encourage informing local planning and policy making, support the development of industrial infrastructure and improve access for historically disadvantaged communities (Co & Mitchell, 2006:349).

2.3.3. Approaches in entrepreneurship training in the South African HLIs

Successful entrepreneurship training is a result of multiple entrepreneurial subjects. This was confirmed by Kroon and Meyer (2001) when they ascertained that, although strong focus has been placed on entrepreneurship education in tertiary institutions since the early 1990s, exposure to one course in entrepreneurship does not ensure entrepreneurial orientation or more positive expectations about entrepreneurial abilities and careers. As a recommendation, they maintained that entrepreneurship education must be implemented earlier in the educational system.

In South Africa, as in many other parts of the world, entrepreneurship training is dispensed through various ways and methods such as teaching theories, practical sessions and guest speakers. Scheepers *et al.* (2009:30) posited that university services to stimulate entrepreneurship should include entrepreneurship seminars and lectures, often complemented by business plan courses. At some universities, lecturers or professors of professional practice provide start-up coaching services.

Some universities and lecturers/professors opt to invite successful entrepreneurs into classes, or hold regular exchange experiences with them, due to the positive influence of entrepreneurial role models on the entrepreneurial intentions (Scheepers *et al*., 2009:30). Signing contracts for general inquiries about entrepreneurship, start-up financing offered through university sources and incubators are methods of encouraging entrepreneurship. Table 2.6 lists the methods frequently used in teaching entrepreneurship (Klandt, 1993).

Table 2.6: Methods frequently used in teaching entrepreneurship in SA	
• Reading	• On-site visits
• Lectures	• Research papers
• Guest speakers	• Theses/dissertations
• Case studies	• Workshops
Source: Adapted from Klandt (1993)	

Once again, these methods do not include the practical component, which could better expose students to the reality of undertaking the entrepreneurial venture. However, as elucidated by Klandt (1993) in the next paragraph, practical methods are among the methods that are less applied in the dispensing of entrepreneurship in South African learning institutions.

Methods utilised in educating on entrepreneurship are commonly consulting services by students and researchers. Educating for entrepreneurship involves using techniques such as videos, practical

work, writing business plans, computer simulations, role playing games, working with entrepreneurs, and joining a students' entrepreneurship club (Klandt, 1993).

Friedrich and Visser (2005:39) postulated that programmes offered by the universities located in the Western Cape province of South Africa are more geared towards functional or business skills, while little focus is placed on motivation of the entrepreneur as a person and on entrepreneurial skills. These institutions cater more for persons with a high literacy level; they equip them with knowledge and allow them to experience entrepreneurship by doing case studies and assignments and writing examinations and tests. Most of them also conduct research related to entrepreneurship.

In their study, Co and Mitchell (2006:354) postulated that the dispensation of entrepreneurship courses at undergraduate level uses mostly the following common methods in class: lecture, followed by creation of business plans, discussions, case studies and guest speakers.

At master's level these methods are used:

- Research projects
- Discussions and case studies
- Lectures, which are the predominant method for teaching entrepreneurship.

At PhD level, conducting a research project such as a dissertation is the most popular in-class method used, while creation of business plans, lectures and cases studies are the most commonly used methods in class (Co & Mitchell, 2006:354). The same study has warned that South African HLIs still predominantly adhere to traditional in-class methods of teaching, despite an emerging trend towards the utilisation of more modern techniques such as role play and computer simulations.

With regard to the outside-class methods, Co and Mitchell (2006:354) postulated that only a few institutions (without naming these) utilise them, and predominantly at the undergraduate level. On-site visits, feasibility studies and community development are the most commonly used methods. Unfortunately, universities do not utilise many outside-class methods, although they are regarded as having the potential to teach and practise important skills and provide exposure to necessary behaviours critical to entrepreneurship development.

Concerning the assessment, traditional methods such as examinations, tests and business plans are the commonly used methods for undergraduate and diploma students, while master's and PhD students are assessed more on their research capability through research papers and theses/dissertations. The following tables (Tables 2.7, 2.8 and 2.9) reflect the students' support of various methods used to teach entrepreneurship.

Table 2.7 below shows the percentage level of students' support for each of the methods used to teach entrepreneurship inside the classroom.

Table 2.7: In-class pedagogic methods used: % of students' support				
Method	**Undergraduate**	**Masters**	**PhD**	**Diploma**
Lectures	65	32	10	26
Discussions	55	42	16	19
Case studies	52	42	10	23
Creation of business plans	58	29	3	32
Guest speakers	45	29	0	16
Method	**Undergraduate**	**Masters**	**PhD**	**Diploma**
Research projects	26	45	23	16
Videos	32	13	3	13
Role play	19	10	3	6
Computer simulation	19	10	6	6
Workshop/seminars	6	13	6	10
Other	3	6	0	3
Source: Adapted from Co and Mitchell (2006:255)				

Table 2.8 shows the percentage level of students' support for each of the methods used to teach entrepreneurship outside the classroom.

Table 2.8: Outside class pedagogic methods used: % of students' support				
Method	**Undergraduate**	**Masters**	**PhD**	**Diploma**
Internships	21	4	4	7
On-site visits	32	14	7	14
Small business consulting	29	14	7	7
Community development	29	7	7	11
Feasibility studies	32	25	7	7
Other	4	4	0	4
Source: Adapted from Co and Mitchell (2006:255)				

The information reflected in Table 2.9 also shows the major weakness in teaching entrepreneurship in South Africa (the absence of a practical component), for example, to assess the students' success in establishing the venture. It is, however, argued that the time frame (usually a year or a semester during which the entrepreneurship module is offered) is very short for students to start to show the success of the venture.

Table 2.9: Major assessment methods used: % of students' support				
Method	**Undergraduate**	**Master's**	**PhD**	**Diploma**
Tests	57	21	4	21
Examination	61	32	7	21
Business plan	54	18	4	29
Case study	36	29	4	14
Research paper	4	43	7	4
Thesis/dissertation	0	36	25	0
Source: Adapted from Co and Mitchell (2006:255)				

In their study on entrepreneurial attributes of undergraduate business students from three different countries, South Africa, the USA and the Netherlands, Farrington, Venter, Schrage and Van der Meer (2012:343)

admitted that lecturers are faced with an uphill task of driving students to be able to search for information, ideas and assistance (knowledge-seeking), and to instil the hunger to expand personal knowledge and enhance one's level of expertise (continuous learning). A remedy could be that educators should strive to develop these attributes by means of practical assignments that require students to seek additional information and assistance from others.

Furthermore, guest lecturers such as entrepreneurial models could be invited to address students on the value of continually expanding their personal knowledge and of seeking the assistance and expertise of others. In doing so, they would reinforce what the students are hearing in their academic studies (Farrington *et al*., 2012:343).

2.3.4. Learning institutions and agencies in support of entrepreneurship

Instilling entrepreneurial spirit among South Africans is not only the task of the government, but learning institutions at all levels are also playing a significant role, as described below.

2.3.4.1. Universities

Universities are in a better position to help in the development of entrepreneurship, as they are in direct and regular contact with students, which gives them the opportunity to make students aware of the benefits of entrepreneurship. This can be achieved while providing education, training and support in a number of initiatives that can be launched and supported to stimulate entrepreneurial thinking amongst students (Scheepers *et al*., 2009:72).

Fallows and Steven (2000) stated that the academic experience and curricula are "essentially a vehicle through which attributes are delivered". Though the role of universities and other learning institutions in entrepreneurial skills development is crucial, Peters and Brijlal (2011:273)

argued that factors such as prior experiences, aspirations and expectations for the future as well as the experiences at universities will support the students' future aspirations. This argument is in line with the object of this study.

At tertiary level, it is assumed that students of entrepreneurship modules expect to learn about what it takes to succeed in entrepreneurial endeavours and the module should include issues such as purpose, motivation, skill or expertise and expectations of gain for self (Friedrich & Visser, 2005:39). From their perspective, Peters and Brijlal (2011:273) maintained that universities and universities of technology can contribute to developing entrepreneurial skills in ways such as presented in Table 2.10.

Table 2.10: Suggested ways of developing entrepreneurial skills
• Provide knowledge, skills and attitudes that the graduates will possess (attempt to shift their attitudes from being potential employees to becoming potential employers).
• Help individual students to position themselves in relation to self-employment. Motivate and support students to explore self-employment as an option.
• Provide business skills for students facilitate experiential learning and expose students to opportunities with small, medium and micro-enterprise sectors that will be mutually beneficial.
• Lecturers and experts such as successful entrepreneurs should be involved in wealth generation activities while facilitating and generating opportunities for the student body (SRC, the student representative council) that can also be involved.
• Create links and interactions between universities and their local business support organisations.
Source: Adapted from Peters and Brijlal (2011:273)

Table 2.10 reflects the authors' opinions about the development of entrepreneurship in South Africa, and since both authors are from South

Africans, these ways were suggested taking the realities of the country into consideration. It is therefore open to comments and interpretation, especially if someone is speaking from a different environment.

In a similar vein, Davies (2001) posited that South African tertiary institutions can help in creating and contributing to an entrepreneurial society by means of five interventions, namely:

- changing the mindsets of students from potential employees to employers;
- equipping students with practical business skills and facilitating experiential learning;
- developing a faculty of entrepreneurial role models;
- researching problems, needs and constraints of entrepreneurs; and
- influencing governmental policy and actions.

The Western Cape is much better equipped than other provinces for entrepreneurship training as it has three universities (UCT, US and UWC) as well as a University of Technology (CPUT) (Brijlal cited in Friedrich & Visser, 2005).

2.3.4.2. A model for entrepreneurship education in South African universities

The University of the Western Cape (UWC) in Cape Town has been involved in entrepreneurship education since 1997 when an Enterprise Development Unit (EDU) was established. In the 2001 academic year, entrepreneurship was first introduced as a second year subject to a small pilot group. The following year (2002), the module was revised, adapted and adjusted and it was offered under the following headings and sub-headings, as listed in Table 2.11.

Table 2.11: A model for entrepreneurship education in South African universities			
Term 1	**Curriculum content**	**Practical work**	**Academic compliance**
	MAN201: Starting a business (theory)	Marketing survey on campus	1. Weekly journals 2. Idea generation 3. Interview an entrepreneur 4. Marketing research 5. Term test 6. Examination
	1. Entrepreneurship as a career choice		
	2. Environmental analysis		
	3. Learning about entrepreneurs: traits and behaviours		
	4. New venture opportunities		
	5. Business planning: marketing, industry, competition		
	6. Presentation skills		
	7. Interviewing an entrepreneur		
	8. Fit and feasibility of new venture ideas		
Term 2	**MAN 202: Starting a business (Practice)**		
	1. Group building exercise, group dynamics, idea generator	On-campus presentation by entrepreneurs Forming a stable work group Funding a successful enterprise	1. Weekly journals 2. Student peer evaluation 3. Business plan 4. Assignment
	2. How to develop a business plan, market need, customers		
	3. Competitors, situation analysis		
	4. Positioning, promotion, location, distribution		
	5. Start-up plan/costs, operational plan		
	6. Financial management, cash flow, profitability, finance required		
	7. Presentation of		

	business plans		
Term 3	**MAN 203: Operating the small business (Practice)**		
	1. Reviewing business plans of MAN202, start-up of own business on the campus	Work in enterprise Funding the enterprise	1. Weekly journals 2. Student peer evaluation 3. Group report/enterprise progress report
	2. Introduction into success factors of SMEs, goal setting for own business		
	3. Planning strategies		
	4. Innovation		
	5. Personal initiative		
	6. Presentation of results of own business		
Term 4	**Harvesting the enterprise (Practice)**	Work in enterprise	1. Bi-weekly journals 2. Student peer evaluation 3. Four case studies 4. Group final report 5. Term test 6. Examination
	1. Micro-enterprise operation		
	2. Exit strategies and issues		
	3. Business evaluation		
	4. Harvesting and liquidation issues		
	5. Shutting down the micro-enterprise		
	6. Entrepreneurial life strategies		
	7. Journaling and peer evaluation		
	8. Micro-enterprise and programme reflection and assessment		
Source: Friedrich and Visser cited in Galbraith and Stiles (2006)			

It is important to note that all universities that offer entrepreneurship in South Africa may have their own model that they develop according to their perspectives, the needs of their immediate environment, as well as the resources (including human) they possess. Table 2.11 has presented an example of such a model developed by lecturers of entrepreneurship at the University of the Western Cape. Though the model is offered in a traditional university whose primary focus is on theory, it is encouraging to realise that the model embraces a number of practical activities, such as setting up a business on campus, networking with entrepreneurs, analysis of cases studies, as well as presenting research reports. Examples of these on-campus and off-campus activities by these young entrepreneurs, included *inter alia*, meeting with suppliers, interactions with real-life entrepreneurs, concluding banking transactions, and interactions with their customer base.

Friedrich and Visser (2006:381) posited that the above module/subject and its topics have had an impact as outlined below:

- Changing the mindsets of students by offering self-employment (i.e. entrepreneurship) as a viable alternative to becoming a job-seekers;
- Presenting students with the necessary business skills to start and run an enterprise;
- Facilitating and further enhancing experiential learning by running and managing their own enterprise on campus;
- Subjecting students to real-life examples of the typical problems, needs and constraints entrepreneurs face; and
- Developing role models based on successful examples of similar student enterprises from previous years.

Now eight years after the study was conducted, it would be interesting to conduct a longitudinal study on the same group, to find out whether those students have managed to become entrepreneurs.

2.3.4.3. Colleges

South Africa has 50 colleges and 263 campuses nationally, and many of them provide entrepreneurship training to the learners. The reason for the existence of Further Education and Training (FET) colleges, according to the Department of Higher Education and Training (2012), is to increase the ratio of young people who are in education, employment or training by 2014/2015. The aim is to strengthen the capacity of the education and training system to provide pivotal programmes to a growing number of young post-school learners as well as adults at turning points in their careers, as the FET colleges provide professional, vocational, technical and academic learning programmes that meet the critical needs for economic growth and social development.

2.3.4.4. Other training institutions

Fatoki (2010:90) ascertained that the South African government is committing a great deal of effort to supporting the development of graduate entrepreneurship in South Africa and, since most new entrepreneurs do not have the necessary capital to start a business, government support becomes a necessity. In this regard, the following agencies have been created by the government in an effort to support entrepreneurship:

- SEDA (Small Enterprise Development Agency)
- AsgiSA (Accelerated and Share Growth Initiative for South Africa)
- NYDA (National Youth Development Agency)

However, Fatoki (2010) regrets that most of the entrepreneurs are not aware of these government programmes and agencies which have been specifically designed to support them.

Furthermore, Mahadea, Ramroop and Zewotir (2011:67-68) posited that in an effort to support the entrepreneurial spirit, the South African government has created various agencies to encourage people towards

self-employment and to support young entrepreneurs. These, all government initiatives, are:

- Ntsika Enterprise Promotion Agency and Khula Enterprise, now merged as the Small Enterprise Development Agency (SEDA)
- Umsobomvu Youth Fund (UYF)
- National Youth Development Agency (NYDA)

In the same vein, and in an effort to reduce the unemployment in the country, the Youth Entrepreneurship Campaign 2010 (YEC2010) has been set up as a partnership between UYF, the South African Youth Chamber of Commerce and the National African Federated Chamber Of Commerce (NAFCOC) to promote the culture of youth entrepreneurship and increase the total entrepreneurial activity in South Africa. This raises expectations that a large number of business operators in the informal sector may upgrade to the mainstream economy in the years ahead (Mahadea *et al*., 2011:68).

Friedrich, Visser, Isaacs, May, Stoltz, Brijlal and Solomon (2005:2) observed that there are several non-governmental organisations (NGOs) that strive to provide entrepreneurship training in the Western Cape Province, as listed in Table 2.12.

The Western Cape is indeed richly endowed with a large number of sources of information about entrepreneurship. Additionally, Friedrich *et al*. (2005:3) stated that some of these programmes are funded by firms in the private sector, while many of the programmes are directed at high school learners and youth in order to make them aware of entrepreneurship as an alternative source of income. At the same time, these authors have identified the leading organisations and have done research on the nature of the programmes they provide.

Table 2.12: NGOs that provide entrepreneurship training in the Western Cape province	
• SAIE: South Africa Institute for Entrepreneurship	• Mindset (For Standard Bank Foundation)
• JASA: Junior Achievement South Africa	• Nicro Business Centre
• FEBDEV: Foundation for Business and Economic Development	• South Cape Business Centre
• EWET: Education with Enterprise Trust	• Stellenbosch Business and learning Centre
• Centre for Opportunity Development	• Technology Enterprise Centre
• Foundation for Business and Development	• The Business Place
• Ikapa ABSA Entrepreneurial Programme	• West Coast Business Centre
• Isibane Resource Centre	• Zenzele Training and Development
Source: Friedrich *et al*. (2005:2)	

For the purpose of this study, a further discussion about the four government-supported agencies will be provided so that the prospective beneficiaries and the readers of the current study can know more about their services. These agencies are listed in Table 2.13 below.

Table 2.13: Major government agencies and NGOs	
Government agencies	**NGOs**
• Small Enterprise Development Agency (SEDA)	• SAIE: South Africa Institute for Entrepreneurship
• Umsobomvu Youth Fund (UYF)	• JASA: Junior Achievement South Africa
• National Youth Development Agency (NYDA)	• FEBDEV: Foundation for Business and Economic Development
• Youth Entrepreneurship Campaign 2010 (YEC2010)	• EWET: Education with Enterprise Trust
Source: (Fatoki, 2010:90)	Source: (Mahadea, Ramroop & Zewotir, 2011:67-68)

A brief discussion about these organisations follows to inform the reader of the role and the contributions of these organisations towards the advancement of entrepreneurship in South Africa.

2.3.4.4.1. Small Enterprise Development Agency (SEDA)

The Small Enterprise Development Agency (SEDA) is a government-supported agency to provide business development and support services for small enterprises through its national network, in partnership with other role players in small enterprise support (SEDA, 2012). SEDA further implements the programmes targeted at business development in the areas prioritised by the government.

Established in December 2004 as a result of the merging between three organisations, Ntsika Enterprise Promotion Agency, National Manufacturing Advisory Centre (NAMAC), and Community Public Private Partnership Programme (CPPP), SEDA operates under the auspices of the Department of Trade and Industry.

Through its national office located in Tshwane, SEDA provides the overall coordination and provision of support services to the provincial networks

that are the interface between the national office and the various market targets that SEDA wants to reach. Until today, the organisation has established a network of 42 branches, nine provincial offices, and 53 Enterprise Information Centres (EICs), while it is through this vast network that the agency was able to provide its services to 185 000 clients during the 2007/2008 financial year.

SEDA's future plans include the following:

- The increase of the number of delivery points nationwide through which the agency can reach its clients.
- The increase in the rate of coordination.
- The increase of the number of partnership agreements and associations with other small, medium and micro-enterprise (SMMEs) and support agencies/organisations.

2.3.4.4.2. Umsobomvu Youth Fund (UYF)

The word Umusobomvu is a Nguni word meaning "rising down". With a clear mandate of creating a platform for job creation, skills development and transfer, the fund was established in 2001. In its first two years of operation, the fund was able to spend R470 million on 61 projects.

Like many other institutions, the fund experienced a number of challenges at the beginning. Key challenges are lack of infrastructure, refinement of the policies, implementing pilot programmes and methodologies. Notwithstanding these challenges, however, the fund is encouraged by its belief that it can solve the youth problems, as it relies on its carefully chosen programme models and the support of other stakeholders, among them government, the private sector, and others key to making significant inroads in tackling one of South Africa's main challenges (Umusobomvu Youth Fund, 2012).

The following are the areas through which the fund activities are exercised.

- Contact, information and counselling

At its inception, the fund had an objective of reaching 730 000 young people within three years with its contact, information and counselling programme. This branch was in charge of providing information and counselling support with regard to career development, as well as employment and entrepreneurship through a youth line, advisory centres and internet access.

More than half a million young people use the youth line and internet portal every year while the same number of young people visit the advisory centres located around South Africa. Provinces such as Gauteng, KwaZulu-Natal, Limpopo, the Northern Cape, North West and the Western Cape were privileged to have the first 12 of 33 advisory centres in the first year of functioning of this branch of the fund.

- Skills development and transfer

Inside this branch, the fund has two major programmes (School to work and Youth Service) and their contents are discussed in table 2.14 below.

- The youth entrepreneurship programme

The youth entrepreneurship programme has three major projects:

- Enterprise funding
- Micro-finance
- Business development services

Table 2.14: Content of the skills development and transfer	
School to work	**Youth service**
This programme was conceived to transfer high-level technical skills and to facilitate work experience for unemployed matric and tertiary graduates, while introducing black youth into previously inaccessible careers, such as IT and accounting.	This programme caters for unemployed youth who have no tertiary education. It attempts to equip them with the skills, competencies and experience they require in order for them to be economically independent. This is done through a structured learning programme and accredited through SEDA.

In the beginning, the youth entrepreneurship programme had the following expectations based on its forecasts:

- Creating more than 17 000 jobs
- Seven hundred SMMEs and 3 640 micro-enterprises to benefit from the above-mentioned projects, all these in the first three years.

Enterprise funding recently launched the FNB-Momentum-UYF Progress Fund, which complements the Franchise Fund, launched in partnership with business partners.

Micro-finance, along with the objective of financing entry-level investments, and its pilot projects with the Nations Trust and Micro Enterprise Finance, is funding micro-enterprises and co-operatives.

The business development services voucher programme helps young entrepreneurs to access quality business support from approved service providers through vouchers, ranging in value from R1 500 to R23 000.

Furthermore, the “Take it to the People Project” was launched recently to create locally-based economic opportunities for young people. It aims at helping in projects of income-generation and self-employment for young

people living in 21 urban and rural areas identified as significant “poverty pockets”.

Additionally, the project aims to develop solutions that are typical of the local environment of unemployment, and to investigate options for youth development in the form of micro and small businesses and cooperatives. For more efficiency and integration, it works in conjunction with local municipalities and donors.

2.3.4.4.3. National Youth Development Agency (NYDA)

The National Youth Development Agency was established by the South African government. It seeks to initiate, facilitate, implement, coordinate and monitor youth development interventions aimed at reducing youth unemployment and promoting social cohesion. The target youth are those between 14 and 35 years of age, particularly those from low income households, and those with disabilities.

The priority for this relationship is to expose partner organisations to such agencies for unemployed and unskilled youth so that they can access technical support and funding targeting rural youth, men and women as well as youth with disabilities. Identified programmes include career guidance, enterprise finance, and information on micro-financing, voucher programming and skills training. The NYDA mandate is the following:

- Advance youth development through guidance and support to initiatives across sectors of society and spheres of government.
- Embark on initiatives that seek to advance the economic development of young people.
- Develop and coordinate the implementation of the Integrated Youth Development Plan and Strategy for the country.

The NYDA objectives are the following:

- Initiate, design, co-ordinate, evaluate and monitor all programmes aimed at integrating the youth into the economy and society in general.
- Guide efforts and facilitate economic participation and empowerment and achievement of education and training.
- Partner and assist organs of state, private sector and non-governmental organisations and community-based organisations with initiatives directed at attainment of employment and skills development.
- Initiate programmes directed at poverty alleviation, urban and rural development and combat crime, substance abuse and social decay amongst youth.
- Establish annual priority programmes in respect of youth development.

The researcher witnessed the NYDA fulfilling its mandate and objectives when it loaned R100 000 to one of his students and monitored how the money was being utilised. The researcher knows the student as he supervised him in the completion of his master's degree.

2.3.4.4.4. Youth Entrepreneurship Campaign 2010 (YEC2010)

According to Bua News (2012), this campaign, which was established in 2004, is a joint initiative involving the Umsobomvu Youth Fund (UYF), the South Africa Youth Chamber of Commerce, and the NAFCOC Youth division.

May (cited in Friedrich & Visser, 2005:48-50) did not provide much details about the agency as it was still in its inception. Therefore, they did not highlight how YEC2010 benefits both young and old South Africans in their quest to strengthen their entrepreneurial initiatives or improve their social lives.

The Youth Entrepreneurship Campaign's (YEC) 2010 main aim was to mentor, mobilise and encourage youth to participate and create entrepreneurial opportunities ahead of the 2010 FIFA World Cup and beyond. The YEC2010 vision was to escalate the total entrepreneurial activity amongst young people in South Africa, through the following mission statements:

- Mobilisation of youth and other relevant stakeholders to engage in efforts that will promote the total entrepreneurial activity amongst South Africans, especially the young people
- Creation of awareness in order to encourage the culture of entrepreneurship amongst the youth
- Creation of an environment which is supportive for young entrepreneurs to start, grow and sustain their businesses.

The objectives of the campaign are:

- to increase South Africa's Total Entrepreneurial Activity (TEA) and thus improve the country's total entrepreneurial activity ranking amongst developing countries by 2010;
- to address factors that hamper new entrants and growth of existing youth-owned enterprises; and
- to contribute towards the achievement of the 6% target for national economic growth.

The YEC2010 has developed three main pillars to guide its approach, strategy and operational agenda. The pillars are as follows.

Pillar 1: Entrepreneurship Awareness, Education and Skills Training

This branch is very active in encouraging projects aimed at transferring knowledge, as well as the creation of awareness of opportunities. The

campaign also informs youth of the available assistance and youth support in their entrepreneurial concerns. The campaign plays an interface role by transferring information, products and services to the youth.

Pillar 2: Access to Finance, Procurement and Business Support

This campaign plays a key role in mobilising the stakeholders about the provision of finance and procurement opportunities of business support to young people so that they can develop and sustain their enterprises. Organisations are encouraged to develop policies and programmes that promote access for the youth.

Pillar 3: Legislation, Regulation and Policy

This campaign mobilises the stakeholders in order to minimise barriers such as regulatory, legislative and policy hurdles that may hamper the development of young enterprises.

2.3.4.4.5. South African Institute for Entrepreneurship (SAIE)

The South African Institute for Entrepreneurship (SAIE) has a vision of a dynamic culture of entrepreneurship in South Africa that promotes entrepreneurial behaviour and resourcefulness in youth and adults and assists in the eradication of poverty through the creation of effective entrepreneurs.

Born out of the Triple Trust (TT) Organisation in 1996, the South African Institute for Entrepreneurship (SAIE) came as a response to the critical need for easily accessible financial literacy training materials for both the small enterprise sector and for schools. The SAIE develops innovative materials that utilise original, creative methodologies. It trains educators, trainers and community-based organisations to convey business skills, uncover entrepreneurship qualities and ensure sustainable economic development and wealth creation.

The SAIE's initial focus was to provide training materials for illiterate or semi-illiterate adults using the Best Game Simulation Tool as its core. This provides an interactive and intensive work-out in which participants learn basic business management principles by running a virtual venture in the training room. All the SAIE's materials are designed using the Action learning and Experiential learning methodologies and were tried and tested in 1991. Through simulation of the real world, the SAIE training materials ensure that the mental stimulus of the classroom approximates as closely as possible to real life situations, but with considerably enhanced exposure to problem solving. The courses also promote the essential ability to apply forward planning, perhaps for the first time among entrepreneurs.

The SAIE has already expanded its operations in all the continents in the world; 27 countries in Africa, ten countries in North and South America, 15 countries in Asia, two countries in Australasia, and 17 countries in Europe. SAIE target group is twofold.

1. Small Business Development (Adults)

This target group is taught important entrepreneurial skills related to financial management, business simulations, entrepreneurship in agriculture, tourism and the small business capacity building.

2. Education (Youth)

This target group is taught important skills in the areas of business ventures. The SAIE develops curricula of life orientation, and economic and management sciences, during which entrepreneurial skills are emphasised.

2.3.4.4.6. Junior Achievement South Africa (JASA)

Junior Achievement South Africa (JASA) is a nationwide, non-profit organisation that offers experiential entrepreneurial business, financial literacy and workplace readiness programmes for young people. JASA

has, for the past 32 years, educated young South Africans across the country in the fields of business and entrepreneurial skills through practical, experiential programmes.

JASA is a member of Junior Achievement Worldwide, one of the largest business education organisations in the world, operating in over 120 countries globally, including 18 in Africa. Operational in all provinces in South Africa, Junior Achievement SA aims not only to develop entrepreneurial and business skills in young people, but to provide the life skills required to become active citizens, through a range of programme interventions. Learners are encouraged to exercise their rights as well as their responsibilities in a balanced way.

JASA programmes at primary school level involve courses such as environmental entrepreneurs programmes, enterprise dynamic programmes, and JA More Than Money (which teach learners about earning, spending, sharing and saving money, and businesses they can start or jobs they can perform to earn money).

At high school level, a number of courses aiming at strengthening entrepreneurship understanding and undertaking are dispensed as reflected below:

- JA Be Entrepreneurial
- JASA Entrepreneurship Academy Programme
- JA Titan (teaches critical economic and management decisions)
- JA It's My Business (Entrepreneurship and a strong focus on social studies, reading and writing skills)
- MMBiz (teaches learners how to manage their financial lives in a responsible way)
- JA success skills (which prepares learners for entry into the workplace by covering crucial issues such as self-assessment,

communication skills, preparing for job interviews, compiling a good CV as well as teamwork, building rapport and influencing others)

- Banks in Action (which explores the banking sector, how a bank functions and careers in banking with a computer simulation exercise of running a "real" bank)
- Mini Enterprise Programme (MEP) where learners start up and run their own business after selecting a product or service.

The focus of each course is provided in brackets; an in-depth analysis of the content would reveal that all the essentials of the entrepreneurship are included and all the subjects are adapted to the level of the learners.

2.3.4.4.7. Foundation for Business and Economic Development (FEBDEV)

The Foundation for Economic and Business Development (FBDEV) is recognised in Southern Africa as one of the leading public-benefit companies offering accredited and reliable enterprise development services. The organisation excels in research, programme development and accountable service delivery. FEBDEV manages and facilitates a dynamic action-learning business development process from unemployment to being an employer with a growing business in a period of two to four years. FEBDEV works closely with the South African government by aligning its national and provincial programmes to strategic economic development policies.

Since inception, the organisation has assisted more than 5 000 educators nationally to create enterprising learners through real entrepreneurial activities during/after teaching hours. FEBDEV is able to scale its programme from a pilot programme to a national initiative without losing its monitoring and participative strengths. The organisation is distinctively known for its ability to set an example in applied business practice to its public-benefit operations.

2.3.4.4.8. Education with Enterprise Trust (EWET)

The Education with Enterprise Trust (EWET) supports youth in teaching them how to live a meaningful life. The campaigners are community leaders, dedicated teachers and educationalists who started a process of research and consultations.

EWET was launched in 1991 with a mandate to address the issues arising out of the unemployment of a large number of school leavers. Among some skills these learners learn are project management skills, development skills by “learning by doing” and reading in the development of EWET. The reputation of EWET has been established as it has successfully executed the funding contracts with integrity. It has led to the rise of a solid Fund Accounting system. It has enabled the communities by offering development assistance so that they can create their own destinies.

One of EWET’s achievements was the design and launch of the Youth Enterprise Society (YES) movement, which is designed to meet a national requirement of employment for a large number of school leavers. There was a need to do something significant for generating more productive and meaningful lives for these educated unemployed youth. The YES programme employs the methodology of involving entire communities such as local business people, educationalists, trade union representatives and other community members. The programme is designed to generate awareness and interest in young people regarding the free-market entrepreneurship as a career option.

The EWET has achieved its objective of equipping the youth with a wide range of business skills through the collaboration of trained teachers, at their twice-a-week meetings. It also encourages the need of learning the importance and ways of generating capital ownership and wealth in the community.

Friedrich (cited in Friedrich & Visser, 2005:64) postulated that there are a few training programmes used on a broader scale in different countries dealing with at least some components of entrepreneurial training, whereby issues of entrepreneurial intentions are enhanced. The Competence-based Economies through Formation of Enterprises (CEFE), with its main objective of improving the entrepreneurial performance of economic actors through guided self-analysis, stimulating enterprise behaviour and the build-up of business competencies, has the following six stages (Kolshorn & Zehender, 1992), illustrated in Figure 2.1, through which entrepreneurial intentions are enhanced.

In the figure below, Kolshorn and Zehender (1992) show that the acquisition of entrepreneurial intentions does not automatically take place. It is a result of a series of cognitive and overt actions that individuals should go through towards entrepreneurial behaviour. This model was found very relevant, as it gives the prospective entrepreneur a clear picture of what they intend to venture into, and especially as the model includes the appreciation of one's strengths and weaknesses.

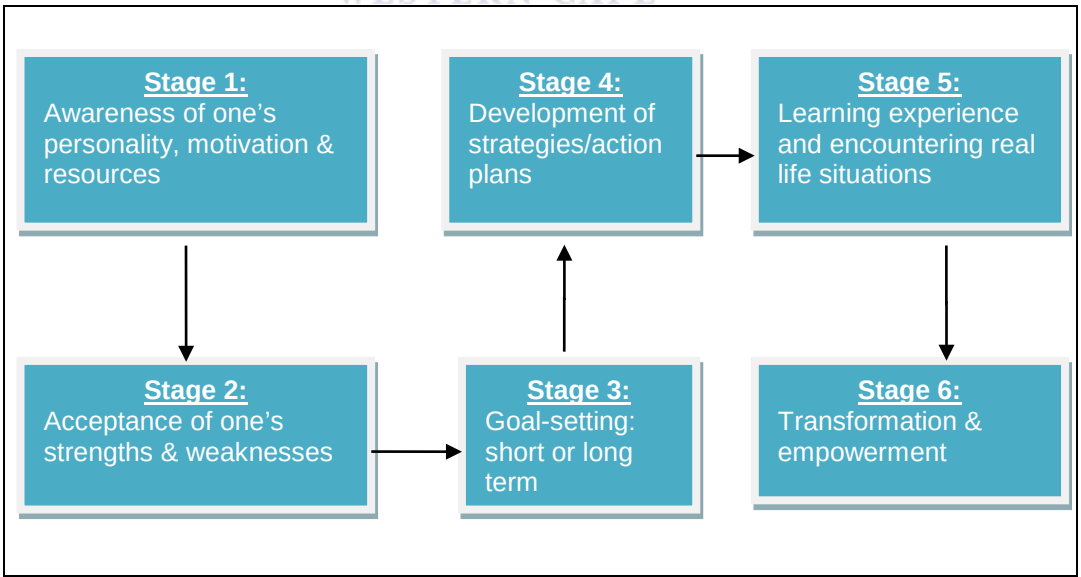

Figure 2.1: Stages to enhance entrepreneurial intentions

Source: Kolshorn & Zehender (1992)

2.3.5. Achievements of entrepreneurship training/education: enhancement of entrepreneurial intentions

Keong (2008:50) ascertained that there is a positive influence of education on intention because of the opportunity cost situation. That is, the relationship becomes complex because people with higher education normally have a better offer or better chances of success and attainment of personal goals, not only as business owner-managers, but also as employees, instead of going into self-employment.

Most of the surveys show that education in entrepreneurship encourages graduates to start their own businesses, as observed by Franke and Lüthje (2004:5). A study, conducted by Clark in a medium-sized university in the USA, showed that 80% of the students were considering setting up their own businesses, and their plans were often turned into reality, since three out of four students who indicated concrete plans to found a company did, in fact, start a new venture. Furthermore, 76% of the respondents indicated that the entrepreneurship programmes they were exposed to had a strong or very strong influence on their decision to start a new venture (Clark, Davis & Harnish, 1984).

In similar vein, Wilson, Kickul and Marlino (2004:398) support the idea that providing entrepreneurial training at an early age is important in order to prevent the entrepreneurial career option from being discounted by girls in their early lives. Other studies also indicate the importance of entrepreneurial education at the pre-college levels in order to increase both interest in the field and the degree of preparedness (Kourilsky, 1995; Dyer, 1994). Kourilsky and Walstad (1998) provided evidence to affirm that young people of both genders believe that their lack of understanding of entrepreneurship can be addressed with future training, and they are therefore likely to be receptive to that programme.

> "The development of entrepreneurship skills through the educational system increases the supply of entrepreneurs in the country" (Brijlal cited in Friedrich & Visser, 2005:39).

This statement also reduces the criticism that the South African educational system is gearing graduates towards employment rather than business start-up, thereby worsening the problem of unemployment.

A study conducted by Friedrich and Visser (2005) on undergraduate students who followed the entrepreneurship stream indicated that education in entrepreneurship results in a change in mindsets of students by offering self-employment as a viable alternative to becoming job seekers. Further findings indicate the enhancement of experiential learning by running and managing their own enterprises on campus, as well as developing role models based on successful examples of similar student enterprises from previous years. Providing access to entrepreneurship education is especially important in fuelling the pipeline of aspiring entrepreneurs, because of the strong role education plays in raising their levels of self-efficacy, and ultimately their interest in starting their own venture (Wilson *et al*., 2007:14).

Friedrich and Visser (2005:65) stated that entrepreneurship training equips the learners with the ownership of the process which is acquired through time and energy. By moving through these stages from awareness to transformation, the learner is given the opportunity to experience personal growth and to develop a more enterprising approach to life. Furthermore, entrepreneurship as a practical subject offers the opportunity for students to develop skills that can be translated into a meaningful living.

Institutions of higher learning play a crucial role in developing an entrepreneurial society in that they instil in their students, at all levels, a sense of understanding of risks and rewards of business creation and its destruction (Friedrich & Visser, 2005:39). The authors further elucidated that tertiary institutions can also play a role in fostering entrepreneurial

traits in students, as they can provide the necessary support for entrepreneurs while providing legitimacy to their endeavours.

Mahadea *et al*. (2011:67) highlighted the role of harnessing the creative talents of the youth and promoting a culture of entrepreneurship among the school leavers so as to foster youth economic participation and to advance economic growth and development. The positive economic growth that South Africa has experienced since 1994 has not necessarily been paired with job creation. The country has achieved an economic growth of three per cent from 1994 to 2003, around five per cent during the period of 2004 to 2007 and 2.8 per cent in 2008 (SARB, 2009). Though it can help, this economic growth is not enough to stimulate job creation, and hence the youth need to be able to think of self-empowerment rather than seeking wage employment. However, as Mahadea *et al.* (2011:67) put, this route will be more appealing if youth are adequately exposed to the basics of micro business entrepreneurship at school.

This exposure will be instrumental in the development of an entrepreneurial spirit among the youth, resulting in pushing back the frontiers of poverty and generating employment opportunities in South Africa, as well as addressing the problems of delinquency and crime arising from joblessness (Mahadea *et al*., 2011:67). Brown (1990) provided an illustrative example from the UK, where a review of a graduate enterprise programme suggested that participants were equipped with an incentive to start their businesses sooner than provided, while more than half were equipped with an incentive to start sooner than intended. Thus, the programme had an enabling and accelerating impact on the graduates' founding activities (Brown, 1990). Similarly, Irish students who participated in the business plan competition indicated that the initiative had a very important impact on their subsequent career choices (Fleming, 1994), while Vesper and McMullan (1997) showed that

entrepreneurship courses help alumni make better decisions in the start-up process.

2.3.6. Criticisms about entrepreneurial education/training

Despite the above attributes, entrepreneurship education is not only viewed from a positive perspective. Other scholars find it to be the source of troubles rather than enhancement of people's mindsets about entrepreneurship. For example, entrepreneurship education provided in universities reaches a very small (and specific) percentage of the population, a reason why it would be better to provide entrepreneurship training to entrepreneurs of diverse socio-economic and racial/ethnic identities (Kickul, Wilson & Marlino, 2004).

In the same vein, Fatoki (2010:93) contended that there is a mismatch between the skills that students develop in higher education and those that they need for survival in the business world. Soetanto, Pribadi and Widyadana (2010:34) argued in the same context that universities are faced with a considerable challenge in developing programmes that prepare students to start new businesses immediately after graduation. Inversely, Drost (2010:29); Gerry, Marques and Nogueira (2008); and Gurol and Atsan (2006) posited that entrepreneurial attributes can be developed by means of educational programmes. They all stated that it is the responsibility of educational institutions to foster an environment in which these attributes can be nurtured in students, as well as to identify those attributes that are necessary for entrepreneurial success.

The key issue is the effectiveness of education in raising self-efficacy levels, while there is recognition that designing an entrepreneurship curriculum that really enhances entrepreneurial self-efficacy is a hard task. One potential reason for lower self-efficacy scores, following the entrepreneurship training, might be related to the fact that the course itself exposes students to the complexities of starting a business about which they had previously been unaware of (Cox *et al.*, 2002).

As a remedy, educators should think holistically and programmatically about a sequence of entrepreneurship education experiences that may provide a solution to this dilemma. Designing a complete programme that can give both a realistic sense of what it takes to start a successful business and the necessary skills, as well as the self-confidence that it is achievable, should be a priority for educators.

2.3.7. Educational ways of enhancing an entrepreneurial culture in South Africa

As postulated by Solomon and Fernald (1991), specialised courses have been designed in many tertiary institutions in an attempt to foster entrepreneurship, while enterprise education has been promoted to encourage entrepreneurial behaviour (Donckels, 1991; Gasse, 1985). Despite the above attempts, a lot still has to be done for entrepreneurship to move forward. Currently, discussions are going on in the world of academia in an attempt to discover ways and means that could promote entrepreneurship. Some of those discussions are outlined below.

Universities should be the catalyst of future entrepreneurs in the pre-creation stage by involving students in the creation of networks, particularly by making connections with potential technology, funding and marketing partners. The entrepreneurial education should also establish specific programmes to nurture those essential business contacts at university level (Keong, 2008:61).

The nature and experience of tertiary institutions in a larger context involves more than the acquisition of knowledge and the skills necessary to obtain a career in a particular field. Universities should enhance the academic entrepreneurship which is the creation of an environment for (active support of) knowledge exploitation, the stimulation of entrepreneurial behaviour in the academic community and the actual exploitation of knowledge (and technology) (Van der Sijde, 2003).

In the view of Nieuwenhuizen and Kroon (2002:157), a holistic approach is required to foster an entrepreneurial culture in society. Without support from economic and political institutions, in order to inculcate an entrepreneurial culture in society, the establishment of enterprises is deemed to fail.

Nieuwenhuizen and Kroon (2002:157) postulated that since the primary factors contributing to the success of the enterprise are similar to those of individuals with a high need for achievement, it is necessary to incorporate these factors into the educational system through adequate training, development and educational models to establish an entrepreneurial culture.

Co and Mitchell (2006:357) elucidates that because most HLIs and academics alike are starting to recognise that since entrepreneurship is an important field of study to focus on, and that strong programmes are necessary for an institution to be recognised, it is essential for curriculum development to be a continuous process involving a collaboration of higher education institutions, secondary institutions and government agencies.

Furthermore, Co and Mitchell (2006:357) suggested an evaluation of the current teaching methodologies, to ascertain whether they are likely to bring about the necessary changes. These evaluations may check whether the techniques are helping to accomplish objectives set out by the courses. These authors further suggested that there should be mixed methods in entrepreneurship dispensation, which should include role playing and simulation for students to practise analytical and decision-making skills. Outside classroom methods such as internships, small business consulting and community development can be encouraged to expose the students to actual problems and experiences of entrepreneurs. It is argued that a strong partnership between local communities and small business owners in South Africa is needed to help higher education institutions. Such partnerships may help in on-site visits, as well as in

providing consultation opportunities for third year or master's students (Co & Mitchell, 2006:358).

Finally, Co and Mitchell (2006:358) advised academics in HLIs to continue to update themselves by attending international conferences on entrepreneurship education, in order to be exposed to new trends in teaching and curriculum development. In addition, if possible, these universities should create strong linkages with international universities with strong entrepreneurship programmes (Co & Mitchell, 2006:358).

Scheepers *et al.* (2009:13) postulated that a major part of a long-term solution to South Africa's low levels of entrepreneurial activity must lie in the improvement of education through the following four areas:

- A significant improvement is required in the efficiency of educational expenditure leading to performance improvements in the former black African schools.
- Creation of awareness of the importance of entrepreneurship and the contribution it can make to communities, society and the economy is required.
- Appropriate entrepreneurship education could significantly increase the proportion of students who believe they have the skills to start a business. Given the extremely strong positive association between entrepreneurial self-confidence and actual entrepreneurial activity, this could be expected to raise the rate of entrepreneurial activity.
- There should be a focus on entrepreneurial skills which include: recognising opportunities, creating and applying novel concepts, and performing feasibility assessments. Strongly linked to entrepreneurial skills are business skills, which include planning, financial management, marketing management, information management, procurement and negotiation. A student who acquires these skills increases his chances of entrepreneurial success.

In the views of Collins, Hannon and Smith (2004), the totality of the experience that students gain at higher education is, and will be, influenced by many factors, such as the prior experiences they have had, their personal aspirations concerning their life while at university, and their future aspirations.

Lastly, Scheepers *et al.* (2009:39) posited that South African students are more entrepreneurially inclined, and an effort to support their intentions should focus on the following three aspects:

- Generation (among university students) of awareness concerning the option of starting a business as opposed to securing employment
- Encouragement for students with ideas to develop them further
- Help for students with entrepreneurial intention to find relevant information about starting and running a business.

In their study on entrepreneurial intentions and behaviour of South African university students, Scheepers *et al.* (2009:58) suggested that higher educational institutions need to stimulate entrepreneurial intentions inside universities by promoting entrepreneurship as a career choice, and by providing courses and additional support.

Universities should develop educational support and offerings targeted at student entrepreneurs at different levels of commitment and planning. Furthermore, it is important to note that while one school of thought advocates the experiential nature of entrepreneurship education/training, the other holds the position that educational institutions should focus on theory-building and research, while leaving hands-on experience to the practitioners (Scheepers *et al*., 2009:72).

In view of the above contrast between both schools of thoughts, Scheepers *et al*. (2009:72) opted for the middle ground between both extremes. They posited that full-time academic staff members who teach entrepreneurship should have practical experience to inspire students to

form their own business enterprises; otherwise a practical component should be included in course work which could be taught by an experienced entrepreneur.

Table 2.15 presents the recommendations to support entrepreneurial activity in South Africa from a group of experts who conducted a study in 2009 and presented it in the GEM Report (GEM, 2010).

The study was conducted by South African experts in the field, and they made relevant and important recommendations to various stakeholders. At the same time, similar recommendations are being made by various researchers, but the level of implementation remains to be seen. Hence a call for their implementation will be repeated in the final chapter of this dissertation.

Table2.15: Experts' recommendations to stimulate entrepreneurial activity in SA	
Category	**Recommendations**
Education and training	Life skills and entrepreneurial encouragement should be an integral part of the school curriculum. Potential entrepreneurs will find these skills invaluable when they are later coupled with their acquired working expertise and experience. There should be a focus in universities and colleges on fostering appropriate "graduate attributes" such as critical thinking, integrity, innovation, self-motivation, life-long learning skills, etc. The teaching and learning approaches required to achieve these are slowly being recognised; however, the funding needed to implement them is still not generally available. Ensure that business skills are taught at every level. Basic skills should be included in primary and secondary education curricula and business basics should be mandatory at the tertiary level, regardless of chosen fields of study.
Government policies	BBBEE policies need to be refined and revisited, especially where the spirit of what was intended is not being fulfilled. BBBEE should place more emphasis on business linkages and joint ventures which can lead to a successful transfer of skills. Establish a "small business champion" at the highest level, or even better a ministerial department — there is a need to make this topic front and centre in the political and strategic context. Incorporate all small business or entrepreneurial capacity/resources/agencies within such a new department, which should craft and implement a strategy to "create an enabling environment and ecosystem" for entrepreneurial activity. Self-belief inhibitors should be addressed at policy level — "while the self-belief issue has many layers and is a long, complicated journey, it needs to be firmly on the agenda".

Government programmes	Create and enforce standards for all individuals who operate in support structures for new businesses, especially in the financial sector and agencies such as SEDA, etc. Staff at support agencies (e.g. SEDA) as well as at departments dealing with the private sector (e.g. SARS and CIPRO) need training in the entrepreneurial mindset. These salary earners curb the effectiveness of what the entity should be achieving, i.e. better training and defined and targeted performance management. Provide assistance with that **first step**: What if there was one place where EVERYBODY knew they could go when they were thinking of starting a new firm? Establish a "one-stop" shop that offers everything from advice, to skills, to funding opportunities, to assistance with the setting up of basic communications/legalities/amenities, etc. Most importantly, a one-stop shop that actually delivers on all of the above is needed.
Research and development	Better linkages between university innovation and business development: There needs to be a conscious fostering and funding (perhaps by government, perhaps by private investors) of stronger linkages between innovation happening at universities, and business adoption and product development. Currently this happens on an ad hoc fragmented level and the result is that (anecdotally) a good deal of South African intellectual property is adopted and taken to market profitably by foreign companies.
Financial support	Develop alternative assessment tools: There is some cutting edge work being done on alternative assessment tools for small business lending. This focuses largely on psychometric testing. The evidence thus far is compelling. A recommendation would be to take these findings (currently from Harvard's EFL), understand their efficacy and limitations, and apply them widely as an alternative to the traditional collateral-based assessment.
Source: GEM (2010:37)	

2.3.8. Shortcomings in entrepreneurship training

In the view of Antonites (2003:31), the current problems with entrepreneurship training are seen in the lesser consensus that exists where the content of courses and curricula is involved. This view is supported by Loucks (1988) who argued that there is a gap where substantial standardised components within the entrepreneurial training programme exist.

In entrepreneurship training, there should be focus on the complex and multi-disciplinary aspects of entrepreneurship (Rosa & McAlpine, 1992:73), while Scott and Twomey (1988:13) regard the approach of the current training system as being very pragmatic. Timmons (1994:49) suggested an active involvement in entrepreneurial activities, an understanding of the dynamic characteristics of the entrepreneurial environment and the introduction of the existing reality aspects to the practice situation.

Morris and Hooper (1996:14) strongly argued that there is no single theory being developed as the "content estimator" of entrepreneurship training, and all the research undertakings tend to be explorative and descriptive as well as cross-sectioned and more dependent on posterior statistical testing rather than a priori hypothetical testing.

2.4. CHAPTER SUMMARY

This chapter has focused on putting South Africa in its entrepreneurial context by showing how it has evolved, and by looking at challenges and various initiatives that are undertaken to enhance entrepreneurship. The chapter started by providing the definition of the concepts of entrepreneurship education and entrepreneurship training. Although the current study admits that both concepts are distinct from academic and practical perspectives, they were synonymously used. Various methods as used in entrepreneurship teaching were explored as well as various categories of institutions involved in dispensing entrepreneurship. Types of

modules used in teaching entrepreneurship were also discussed. The benefits of entrepreneurship education were exposed, while ways of enhancing entrepreneurship education were outlined. Throughout the chapter, the importance of entrepreneurship education and training was highlighted, while the educational ways of supporting the entrepreneurship development were suggested.

Finally, the chapter also highlighted that enormous shortcomings are still hindering the teaching of entrepreneurship, and it is suggested that institutions be equipped with sufficient and adequate resources. This will allow them to cope with the important task of changing the beneficiaries' mindsets towards entrepreneurial behaviour. It is in the above context, full of initiatives for a newly adopted field of study to enhance entrepreneurship on one side and due to the lack of adequate support on the other side, that the current research undertook to examine how social, cultural and socio-economic factors of students motivate them to nurture their entrepreneurial intentions in order to behave entrepreneurially. The discussion around these constructs and their variables constitutes the main subject for the next chapter.

CHAPTER 3
THEORETICAL MODELS

3.1. INTRODUCTION

The previous chapter presented a brief overview of entrepreneurship teaching and education in South Africa. It discussed the methods used, and highlighted the importance of entrepreneurship education. A number of government-supported as well as non-government organisations that provide entrepreneurship support were introduced. In this chapter, theories that underpin this study, as well as the various constructs of the topic under discussion, are outlined.

As pointed out by Forgues (2000:379), analysis of the literature allows the researcher to situate his/her research in relation to previous researches and the author should highlight any divergences, and may indicate similarities between related domains while staying focused on the research question to avoid losing the reader's focus. Wherever is appropriate, this analysis may lead to the formulation of hypotheses. In the same vein, Welman and Kruger (1999:34) argued that the compilation of the literature review makes researchers aware of the inconsistencies and gaps which may justify further research. The review of research findings enables researchers to indicate exactly where their proposed research fits in.

3.2. THEORETICAL MODELS THAT UNDERPIN THE STUDY

In research, theoretical models are used for various reasons. Because variables form the basis for statistical analysis and assist in illustrating hypothesised associations and explanations (Britt, 1997), these theoretical models can assist researchers in clarifying the important variables under study. This chapter thus reviews and discusses the following two social models related to people's behaviour, namely the Theory of Reasoned Action and the Theory of Planned Behaviour.

3.2.1. Theory of Reasoned Action (TRA)

The TRA was briefly introduced in the introductory chapter. This generalised theory on the relation of beliefs to behaviours was developed by Ajzen and Fishbein (1980). There are three general constructs that make up the TRA:

1. Behavioural intention
2. Attitude
3. Subjective norms.

The TRA (see Figure 1.2) illustrates that an individual's beliefs influence their attitudes, which then form a behavioural intention.

Behavioural intention is an individual's cognitive strength of the intention to perform a specific behaviour. In the TRA model (Figure 3.1), the two main constructs are attitudes and subjective norms. These have an impact on intention; attitudes consist of beliefs about the evaluation of performing certain behaviour.

A subjective norm is the social pressure or perceived expectation from relevant people to perform this behaviour (Fishbein & Ajzen, 1975). In other words, users consider other people's views before they make a decision. An example is:

Attitude: I think opening up my own business is the best option in my life.

Subjective norm: I first need my family members' advice.

Intention: I want to run my own business.

Behaviour: I need to see a business consultant as I must open up my business.

The application of the Theory of Reasoned Action has caused its evolution to become the Theory of Planned Behaviour. According to Fishbein and Ajzen (1975), the Theory of Planned Behaviour has been applied in many studies. It is an all-purpose, well-researched intention model. The

extension to the Theory of Planned Behaviour includes a major predictor, namely perceived behavioural control.

3.2.2. Theory of Planned Behaviour (TPB)

This theory was also briefly introduced in Chapter 1. The TPB is a prescriptive model that can be used to conceptualise the student's intention of starting a venture. The TBP (Ajzen, 1988) is an extension of the TRA. It accounts for conditions where people do not have complete control over their behaviour (perceived behavioural control). According to Fishbein and Ajzen's (1975) Theory of Reasoned Action, behavioural intention plays a major role in a person's actual behaviour.

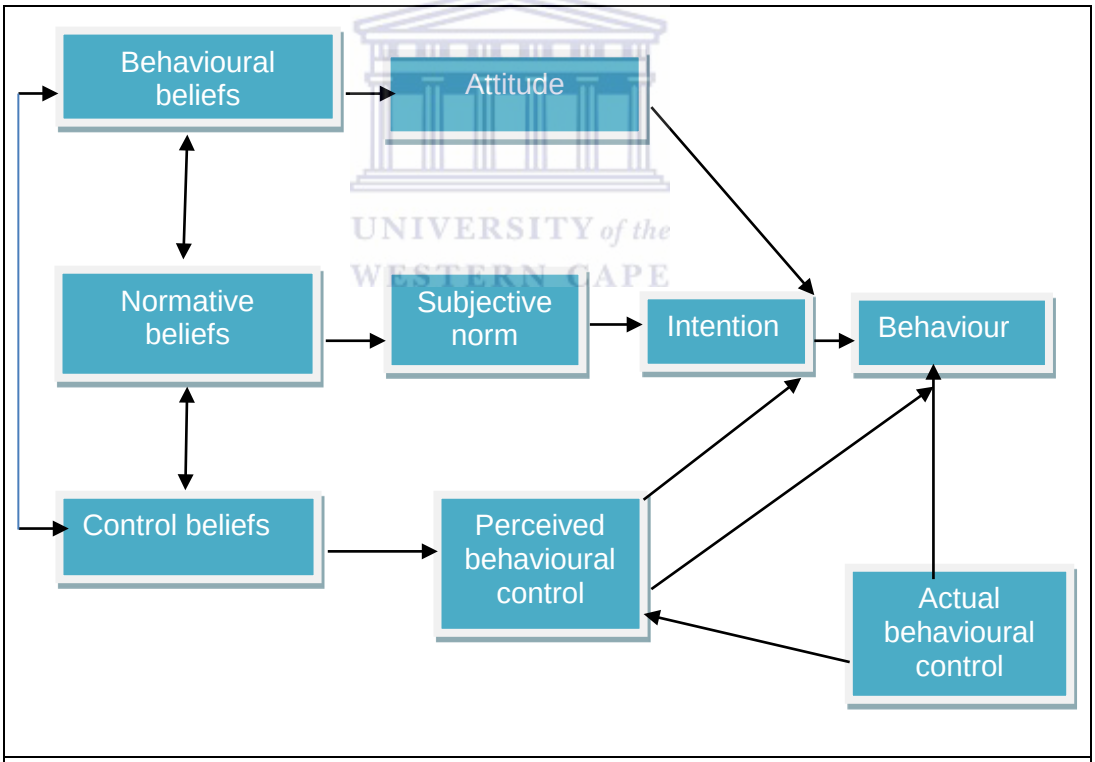

Figure 3.2: The Theory of Planned Behaviour

Source: Ajzen (1991)

From all these studies, it has therefore emerged that intention to establish a venture is hugely influenced by a number of beliefs that can be categorised in the following three groups (Ajzen, 1991).

- **Personal attitudes towards the enterprise-creation behaviour**. This denotes whether individuals have a positive or negative perception about this behaviour (most importantly attractiveness of entrepreneurship). Consequently, a high positive attitude towards creating an enterprise will lead to a higher intention to do it.
- **Subjective norms.** This consists of social pressure to carry out entrepreneurial behaviours or not. It includes parental role modelling, parental support, opinions of important orders. A more positive subjective norm about becoming an entrepreneur will lead to a higher intention to do it.
- **Perceived control (self-efficacy)**. This refers to the perception of an individual about the capability to successfully execute specific firm-creation behaviours. A high sense of self-efficacy will determine a higher probability to take the decision to start an entrepreneurial process. These perceived personal beliefs would be the most important predictors of entrepreneurial intentions.

The TPB model (see Figure 3.2) allows for situations where students do not have complete control over their behaviour in terms of starting ventures. The importance of intentions as an antecedent of planned behaviour (such as founding a company) has been emphasised in recent years (Krueger *et al*., 2000) and such intentions have been proven to be the best predictors of actual behaviour.

The TPB predicts intentional behaviour because a person's behaviour can in fact be planned. In the view of Ajzen (1988), the following three categories of thought guide human actions.

- Firstly, the Theory of Planned Behaviour suggests that behavioural intent is influenced by the attitude towards that behaviour. Attitude is influenced by the individual's behavioural beliefs; that is what the individual believes about the behaviour. This part of the TPB is consistent with the current study which argues that students at university can be influenced to become entrepreneurs once they complete their studies.
- Secondly, the subjective norm, which is the influence of social pressure as perceived by the individual, decides what impact the influence of social pressure will have on the individual and motivation to comply with the normative beliefs. This is in line with the argument of this study that the societies in which students grow play a key role in forging them into entrepreneurs.
- According to Fishbein and Ajzen (1975:302), it is "The person's perception that most people who are important to him or her think he should or should not perform the behaviour in question".
- Thirdly, the TPB predicts the individual's perception of how easy or difficult it is to perform that behaviour (perceived behavioural control). For example, if two people have a strong intention of learning a new language, then the one who thinks he will succeed in perfecting his use of this language is the one who will persevere longer than the other (Ajzen, 1991).

In fact, there are two important aspects of this theory: firstly, behavioural control has motivational intent; and secondly, there is the possibility of a direct link between perceived behavioural control and behaviour (Ajzen, 1988).

As an example, students may have intentions to open and operate a business, but due to a perception of the complexity of the operations, lack of family support and resources, they will probably not develop strong

behavioural intentions to implement these intentions. Therefore, the greater the attitude and the subjective norm are, and the more favourable the perceived control, the stronger the individual's intention will be to perform the particular behaviour.

There is evidence that people's attitudes are positively related to what they do, since people's attitudes play an important role in influencing their behaviour. A limitation of this model is that it assumes that the majority of people first consider the repercussions of their actions before they decide to adopt certain behaviours. This is not always true. In addition, it assumes that people are level-headed, and will use any information they possess efficiently. The model further ignores emotional variables, such as mood, fear, anxiety or any threats. The advantage of the TPB is that it takes into account the individual's perception of controlling his/her behaviour.

3.3. THEORIES ON THE CONSTRUCTS OF THE STUDY

The constructs of the study have been mentioned and can be seen on Figure 1.1 above. Before embarking on the discussion about the social variables forming part of this study, the researcher decided it is important to bring in the information about the psychological values, as some scholars have been trying to associate them with social values in order to evaluate how both together impact on the entrepreneurial intention of the individuals.

In this regard, Smith-Hunter, Kapp and Yonkers (2003:11) have ascertained that psychosocial values as entrepreneurship drivers have been classified into two areas. First, there are psychological values focusing on personality dimensions, such as the need for achievement, locus of control, risk taking, work values, perseverance, creativity and initiative.

Secondly, there are social aspects which include the relationship between an individual and their environment. As already discussed in Chapter 1, family background and support, students' or parents' work, and their education, are factors that fall within the scope of this study.

Similarly, Carton, Hofer and Meeks (1998) pointed out that the most pervasive characteristics of an entrepreneur are desire to be independent, locus of control, creativity, risk-taking propensity, need for achievement, and credible role models.

Psychological dimension

Raab, Stedham and Neuner (2005) posited that psychological characteristics are recognised as being of great importance in understanding and fostering entrepreneurship, and in assessing entrepreneurial potential.

- **Need for achievement**: Since his involvement in research about motivation in the early 1960s, McClelland has suggested that the key to entrepreneurial behaviour lies in the achievement motivation (McClelland, 1961b). The need to achieve is a drive to excel, to achieve a goal in relation to a set of standards (Johnson, 1990; Chell, Haworth & Brearley, 1991). If a person is endowed with such a need, they are expected to spend time considering how to perform a job better, or how to achieve something important to them.
- McClelland (1961b) ascertained that people who possess a high degree of need for achievement enjoy the following five attributes:
    1. Love of situations where they can take personal responsibility for finding solutions to problems
    2. Love of quick feedback on their performance in order to judge whether they are reaching their goals
    3. Avoidance of what they perceive to be easy or very difficult tasks as they dislike succeeding by chance

4. Striving to achieve challenging but possible targets
5. Interest in concrete knowledge of the results of their decisions (money as a measure of success).

Like many other theories, McClelland's Achievement Motivation Theory was criticised by other scholars, mainly by Brockhaus (1982) cited in Sexton & Smilor (1986) for its predictive power. Brockhaus's argument is that McClelland's empirical research did not directly connect need for achievement with the decision to own and manage a business.

Chell *et al.* (1991) also criticised McClelland's theory, especially his attempt to relate economic development to the prevalence of achievement imagery. Furthermore, Chell *et al.* (1991) posited that the cultural basis of the achievement motive and its effects are also open for speculation.

Keong (2008:55) also supported the above assertion by postulating that achievement motivation is perhaps the most used and the most criticised psychological concept in entrepreneurship research. Davidsson (1989) and McClelland (1985) concluded that propensity for oneself to go into business due to this type of influence exists, but that achievement motivation is not a major determinant of entrepreneurial behaviour. It is related to performance compared with an individual's internal standards.

- **Locus of control:** The concept of internal locus of control is closely related to the concept of need for achievement. In the view of Chell *et al.* (1991), individuals with internal locus of control are those who also believe in themselves to be in control of their destiny. At the end of the day, there are people with an external locus of control who sense that fate, in the form of chance events outside their control, or powerful people, have a dominating influence over their lives (Chell *et al*., 1991).
- Brockhaus (1982) supports the argument that entrepreneurs are more internal in their locus of control beliefs when compared to managers. Not long ago, Mueller and Thomas (2001) and Utsch,

Rauch and Rothfufs and Frese (1999) reported on how cultures with strong belief systems in self-determination tend to have a higher level of entrepreneurial activity. Comparing well-established managers and entrepreneurs on the locus of control aspect, Chen *et al*. (1998) reported that entrepreneurs had a higher locus of control than managers did.

- Other scholars question whether the entrepreneur's personality is affected by experience (Littunen, 2000; McCarthy, 2000; Morrison, 2001). Specifically, McCarthy highlighted the importance of crisis on strategic planning and risk-taking, and reported that entrepreneurs tend to have a higher locus of control after a crisis situation, mainly if they have successfully traversed the crisis. Nevertheless, a high locus of control is sometimes the cause of crisis resulting in the stifling of innovation and a resistance to change.
- **Risk-taking:** Risk propensity is an attitudinal component that refers to an individual's tendency to take risks in their actions that vary across distinct decision contexts (European Commission, 2012:46). Risk-taking is the main characteristic of entrepreneurial behaviour and the youth have a strong disposition for risk-taking, innovation and change (Mbebeb, 2009:27).
- Usually, people interpret a risk-taker as the individual who, in the context of a business venture, pursues a business idea when the probability of succeeding is low. The risk can be financial, social or psychic, and it remains a defining characteristic of entrepreneurship.
- Many authors, such as Hull, Bosley and Udell (1980), have confirmed the important role of risk in entrepreneurship behaviour. In their opinion, the personality characteristic is most important in identifying entrepreneurial types of individuals and in understanding the constructs of creativity, risk and flexibility. Similarly, Shabbir and Gregorio (1996) and Sexton (1989) claimed that, in becoming an entrepreneur, one risks financial well-being, career opportunities,

family relatives and psychic well-being. An entrepreneurial venture is a journey that is full of uncertainty, and hence people who are attracted to such lines of business will possess a certain level of risk-taking propensity.

According to Chell *et al.* (1991), Sexton and Smilor (1986) and Kent, Sexton and Vesper (1982), the level of risk-taking that entrepreneurs possess has been shown to be moderate and calculated. Other results show varying tendencies, revealing that individuals with an internal locus of control are less likely to engage in risky behaviour, when compared to individuals with an external locus of control (Chell *et al*., 1991; McClelland, 1961b).

- **Work values:** Value orientation can be defined as a generalised and organised conception of nature (Sexton & Smilor, 1986). Such definition includes an individual's understanding of their place in the society. Various studies have indicated that values may be effective in distinguishing successful entrepreneurs from the general population. Milner (2000) postulated that there is not just one kind of person or personality who has the potential to succeed as an entrepreneur; there are rather four classifications – the personal achiever, the real manager, the emphatic salesperson and the expert idea generator. Each category is suited to a management style that is more effective in certain types of entrepreneur structures than others.
- **Perseverance:** The concept of perseverance is one the most salient attributes in entrepreneurship. It is regarded as the ability to overcome adverse circumstances (Stoltz, 1997), or one's tendency to persist and endure in the face of adversity (Eisenberger, 1992). Due to the fact that individuals react differently to similar adversities, entrepreneurial success is a result of the extent to

which one perseveres, regardless of what appear to be insurmountable obstacles or adversities (Stoltz, 1997).

- Perseverance helps entrepreneurs to maintain a high staying power and to overcome snags and setbacks in their businesses (Markham, Balkin & Baron, 2005; Brockner & Guare, 1983; McGrath, 1999). Markham *et al*. (2005) and Eisenberg and Leonard (1980) posited that perseverance influences the way people take their course of action, and determines the amount of effort they put forth while pursuing their endeavours, the length of their endurance and their resilience in the face of setbacks and repeated failures. Furthermore, perseverance influences how much stress individuals can endure to be able to handle the setbacks, as well as the level of accomplishments they eventually realise (Markham *et al*., 2005:3; Bandura, 1997).
- Markham *et al.* (2005:3), Bandura (1997) and Eisenberger, Kuhlman and Cotterell (1992) emphasised the importance of perseverance when they asserted that perseverant people invent ways to circumvent constraints or change them by their actions, while non-resilient people are easily deterred by impediments and unexpected challenges. When confronting setbacks, perseverant people intensify their efforts and test new actions, whereas those who are less perseverant easily and quickly give up (Markham *et al.*, 2005:4; Bandura, 1997).
- **Problem-solving style and innovativeness:** Innovation is the fundamental value of entrepreneurial behaviour, since it is successfully taking an idea or invention to market (Gartner, 1989). Both innovation and problem-solving capabilities are expected to be the core of the entrepreneurial capability of an entrepreneur.

Sexton and Smilor (1986) argued that a large number of entrepreneurs studied were characterised by sensation-thinking problem-solving styles.

Those people are believed to be short-term oriented, dealing with immediate problems and, since entrepreneurs are faced with a number of challenges in their day-to-day operations in trying to implement new ideas and solve problems, their innovative capabilities are thus important. Schumpter (cited in Sexton & Smilor, 1986) concurred with the above idea that innovation is one of the dominant characteristics of entrepreneurial endeavour.

Entrepreneurs are not uniformly innovative. Maxwell and Westerfield (2002) posited that a correlation does indeed exist between a higher level of managerial experience and more years of education with a higher level of innovation. This leads to the conclusion that innovation depends upon the entrepreneurial formal education and managerial experience.

For the purpose of this study, psychological values were not tested to understand the extent to which they influence the decision-making process amongst university students in the universities in the Western Cape. Social aspects such as family background and support, parents' or students' work and their education, were tested.

3.3.1. Social values

3.3.1.1. Family background and support

Consistent with the hypothesis of the current study, Morphosa (cited in Mbebeb, 2009) postulated that although academic institutions and the work environment are regarded as major socialising agents in children's entrepreneurial development, the role of the family cannot be underestimated. Results reported by Zampetakis and Moustakis (2006:424) and Rodermund (2004) suggest that entrepreneurial intention is influenced by family history; individuals who come from entrepreneurial parents tend to become, or to develop, entrepreneurial behaviour and intention. Family activities within the household and beyond affect enterprise drive and occupational diversity for the young.

Similarly, Fatoki (2010:89) posited that family background can be a motivator for entrepreneurial intentions, and Crant (1996) articulated that being in a family that is entrepreneurial significantly impacts individuals' intentions to start their own businesses. In the same vein, Mattews and Moser (1995) are of the opinion that having self-employed parents tends to be especially relevant as mentors and guides for children starting their own businesses, as having a role model is a significant factor in wanting to start a business, as alluded to by Birley and Westhead (1994).

Dehart, Sroufe and Cooper (cited in Mbebeb, 2009) pointed out that concerning learning work transition, entrepreneurial competence is one of the major changes in life course development, especially in early childhood, as children broaden their world through experience with siblings, peers, teachers and parents. There is a significant body of knowledge on socialising the developing child by the African family, but this knowledge is mainly focused on vocational development, particularly entrepreneurship priming (Mbebeb, 2009:25). Luiz and Mariotti (2011:49) used race, gender and family history to examine the influence of these on entrepreneurial behaviour.

Samuelsson and Kaga (2008) observed that sustainable development must begin in early childhood, as the values, attitudes, behaviours and skills acquired in this period may have a long-lasting impact in later life. In Africa, people have been expressing the development of creative and productive minds for a relevant human capital base that possesses an inherent entrepreneurial culture necessary for private sector development. Nurturing the schooling child through hands-on family experiences is perceived as natural and vital in life course development in African societies.

Mbebeb (2009:23) argued that entrepreneurial mindset priming is a viable component of early childhood education through life skills orientation within the family. He further stated that historically, vocational training of children has been the responsibility of the family and this even before the

child is exposed to the school world, a source of mismatch between acquired skills and sustainable livelihood.

African indigenous education is part and parcel of the culture and it is built on the daily routines and activities of the family and kinsmen, which validates the position of the family as a socialising agent in early childhood education that can promote entrepreneurial competence (Nsaminang, 2007).

Training children to be independent with entrepreneurial skills will promote high need achievement if training is provided by parents (McClelland, 1961a:92). The African family is recognised for the production and consumption of the Early Childhood Care and Education (ECCE) knowledge, as a fundamental institution; it is therefore a challenge for academic institutions to consider the role of the family in vocational development in early childhood (Adeyemi & Adeyinka cited in Mbebeb, 2009).

Similar to one variable of the current study, Smith-Hunter *et al*. (2003:9) argued that family and community are other factors that influence entrepreneurial behaviour. They posited that Ajzen's Theory of Planned Behaviour (1991) considers perceived social norms as a crucial factor in entrepreneurial activity, while family and important social contacts, including network members, establish these norms.

3.3.1.2. Parents' work

Scherer, Adams, Carley and Wiebe (1989) observed that one of the ways a learning process can take place is through observation of behaviours in others, referred to as role models. These role models can be anybody that is around the individual, such as family members (such as parents or guardians), employers, teachers or anyone who the individual has had an opportunity to observe (Sexton & Smilor, 1986).

Although entrepreneurial parents or grandparents provide exposure of the entrepreneurial world to the students and make them become knowledgeable about the demands of running and operating a business, not having entrepreneurial parents or guardians does not preclude individuals from performing entrepreneurial activity in the future (Scheepers *et al*., 2009:66). With regard to the South African environment, the Scheepers *et al*. (2009:66) study indicated that 55.2% of South African university students had indirect experience of entrepreneurship through their parents' entrepreneurial activities.

Consistent relationships have been established between certain personal background variables on one hand and entrepreneurial behaviour on the other hand, and in most studies conducted, most of the small business owner-managers had a self-employed parent (Stanworth & Curran, 1989). For those individuals intending to start a business, most of them had a parent who had also been in business. This personal background actually has a positive effect on entrepreneurial preparedness, entrepreneurial career expectancy, and desirability of founding a firm (Stanworth & Curran, 1989).

A study conducted by Luiz and Mariotti (2011:57) revealed that respondents of Asian descendants (Indians), have shown least interest in entrepreneurship. As put by the authors, this hard-nosed attitude, clearly diverging from the current study's hypothesis, results from the hard work parents have done to achieve what they have. Therefore, the hard work that students have seen from their parents has pushed them away from entrepreneurial intention. However, Henderson and Robertson (2000) posited that young people, especially graduates, will play a key role in the future working environment with regard to the creativity and individuality. On the other hand, African students seek mostly to take the entrepreneurial route, as they are motivated by new Africa role models – billionaires who have emerged in the post-apartheid era of Black Economic Empowerment (BEE). Similarly, African students believe most

strongly that one needs connections in order to start up a business and they further make reference to the BEE and apartheid favouritism.

3.3.1.3. Parents' education

In their study on the perception of entrepreneurship in an emerging and culturally diverse economy, that is South Africa, Luiz and Mariotti (2011:58) concluded that education, as a component of social values of students, may not hugely influence how their children perceive entrepreneurship. They pointed out that the more educated the parents, the less likely they are to start their own businesses, thereby not transmitting the legacy of entrepreneurship to their progeny.

Concerning this variable, the results from the respondents will confirm whether the above statement from Luiz and Mariotti (2011:58) is also true in South Africa.

3.3.2. Cultural values

A culture is a set of historically evolved learned values, attitudes and meanings shared by the members of a given community that influence that material and non-material way of life. Members of the community learn these shared characteristics through different stages of the socialisation processes of their lives, in institutions such as family, religion, formal education and society as a whole (Tayeb, 1988:42).

Culture is an underlying system of values peculiar to a specific group or society which motivates individuals in a society to engage in behaviours that may not be evident in other societies (Mueller & Thomas, 2001). Geertz (1973) defined culture as a system of symbols which act to establish powerful pervasive and long-lasting moods and motivators in people by formulating the conceptions of a general order of existence and clothing these conceptions with such an aura of factuality that the moods and motivations seem uniquely realistic.

Concerning culture and entrepreneurship, Vernon-Wortzel and Wortzel (1997) asserted that culture is essential in any discussion about entrepreneurship, because it determines the attitudes of people towards the initiation of entrepreneurship. In the view of Nsaminang (2007), different cultures invest in children, not as an end state, but in recognition that tomorrow's adults are the products of their childhood.

The extent to which culture influences entrepreneurial behaviour is a result of whether people are able to take advantage of it or not. In their study conducted in nine different countries, Mueller and Thomas (2001) observed that there are some factors that are universal for entrepreneurs (such as innovativeness, differences in perception of risk, internal locus of control) but, due to the cultural differences, the pool of potential entrepreneurs would be limited in cultures that were collective and high avoiders of uncertainty.

Culture as a construct of entrepreneurial intentions is also multidimensional. While the current study discusses the dimensions (variables) of language, religious beliefs and custom and traditions, Sajjad, Shafi and Dad (2012:30) reported that different cultures have different ways of influencing the entrepreneur's intention and different ways of impacting intentions of perceived feasibility and perceived desirability.

Altinay (2008) stated that the cultural attributes of the entrepreneur, which comprise of language, religion, and education (which falls under social attributes in the current study) play a key role in developing entrepreneurial abilities and contributing to the survival of the entrepreneurial venture. Altinay's (2008) further argument supports the reason for undertaking the current study, when he posited that empirically, the relationship between cultural attributes of an entrepreneur and the entrepreneurial behaviour still needs to be investigated.

Sajjad *et al.* (2012:32) presented the following model of the impact of culture on entrepreneurial intentions, with the variables of perceived feasibility and perceived desirability.

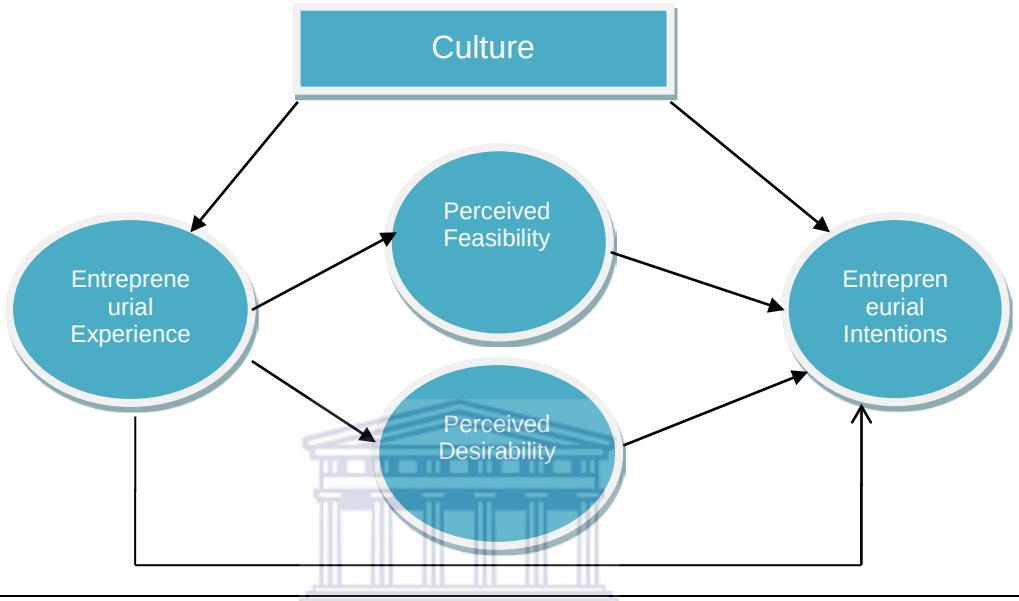

Figure 3.3: Cultural impact on entrepreneurial intentions

Source: Sajjad, Shafi and Dad (2012)

Figure 3.3 above puts the culture at the centre of the entrepreneurial intentions. Sajjad *et al*. (2012) suggested that culture inculcates entrepreneurial experience among the members of the community. That experience allows the individuals to measure their desire for entrepreneurship, while discovering the feasibility of the venture. Entrepreneurial intentions will then result from that experience, decisions from feasibility analysis as well as the assessment of the level of desirability within the individual.

A model of the impact of the culture on the entrepreneurial intentions, such as the one presented above, has been recommended by a number of authors. For example, Liňán *et al.* (2009:597) posited that most research about the influence of culture on entrepreneurship has followed Hofstede's

(1980) cultural dimensions (Shane, Kolvereid & Westhead, 1991; McGrath & MacMillan, 1992; Mitchell, Smith, Seawright & Morse, 2000; Mueller & Thomas, 2001; Hayton *et al*., 2002; Mueller, Thomas & Jaeger, 2002;). However, Hofstede *et al*. (2004) considered two alternative forms in which this influence may be exercised.

- Firstly, there is a positive aggregate effect which would take place when culture shapes economic and social institutions, making them more favourable for entrepreneurial activity. Thus, "integrated" individuals may find it easier to become entrepreneurs.
- Secondly, where culture is relatively unfavourable for entrepreneurship, "dissatisfied" individuals would seek personal realisation through self-employment.

For the purpose of this study, the focus of the literature on cultural values that impact on entrepreneurial decisions is mainly on language, religious beliefs, customs and traditions.

3.3.2.1. Language

The ability of entrepreneurs to use the English language is measured by their ability to speak, write and read the language fluently (Altinay, 2008:116). Altinay further confirmed that previous researches have suggested that people become more convinced about entrepreneurial behaviour if they are confident about their level of skills to bring the initiative to a successful end.

Altinay (2008:116) referred to a study that Levent, Masurel and Nijkamp (2003) conducted on attitudes and behaviours of Turkish females in Amsterdam, and observed that poor language skills are an obstacle to entrepreneurship. In their view, the ability to communicate with others in a host country language is an important factor which results in social and economic integration and productivity.

Furthermore, the stronger the language skills of the entrepreneur, the higher the level of confidence they will have to seek capital from banks and other financial institutions and will rely less on co-ethnic capital (Levent *et al*., 2003). The ability to communicate effectively in a language allows entrepreneurs to break into the mainstream market successfully, while the availability of information in a language that one speaks fluently is a major boost for entrepreneurial initiatives (Altinay, 2008:118).

Cultural attributes of the entrepreneur, including education, language and religion, play an important role in developing entrepreneurial abilities and contributing to the survival of the entrepreneur's business (Altinay & Altinay, 2006; Basu & Altinay, 2002; Basu & Goswami, 1999; Casson, 1991).

3.3.2.2. Religious beliefs

The concept of religion is a system, typically institutionalised, that addresses the communal beliefs and guides an individual's behaviour and state of commitment to a deity or supernatural power (Williamson, Mueller, Van Deusen & Perryman, 2007:58).

> "Religion, as a discrete influencer, is considered to be a primary contributor to the shaping of societal norms, and reliance on it is not declining" (Williamson *et al*., 2007:57).

Iannaccone (1998) presented anecdotal evidence of the resurgence of religious beliefs throughout the world, with the majority of growth originating from the more fundamental sects of the various religions. The focus of Iannaccone's (1998) work was to assess the effects of religious influence on national culture, enacted gender roles and the resultant cultural norms which, in turn, will influence entrepreneurial activity. In the US, "religious beliefs are remarkably salient" (Sherkat & Ellison, 1999:365).

In the view of Metcalf, Modood and Virdee (1996), religion can be a barrier to business growth. This justifies why Indians are more successful business people than Pakistanis, as the latter rely heavily on the influence of religion which prohibits the payment of interest on bank loans. In the same vein, Smallbone, Fadahunsi, Supri and Paddison (1999) stated that Pakistanis who wish to live according to Islamic values are less willing to integrate with western culture and consequently have not performed as well as non-Muslim businesses. The same view is also shared by other scholars such as Rafiq (1992) who stated that Asian Muslim businesses have not performed as well as non-Muslim businesses.

Altinay (2008:113) argued that the religion of the manager or business owner constitutes a barrier to capital access from banks and that Muslim managers rely on the capital from co-ethnics for their business start-ups and entrepreneurial activities.

Contrary to the above arguments, Basu and Altinay (2002) discovered that Muslim entrepreneurs, including Turkish entrepreneurs, are pragmatic businessmen who realise that they have to rely on bank borrowing if they wish to start a business and if alternative modes of finance are unavailable.

It is therefore possible to argue that religious beliefs are able to influence other aspects of human behaviour beyond the sphere of sacredness. This can be illustrated by the fact that all major religious organisations have adapted to the political and social realities far from their initial core intentions.

With the above debate about the role of religion on the performance of entrepreneurial behaviour, the current study aimed to shed more light on the influence religion has in shaping entrepreneurial intentions of university students in South Africa.

3.3.2.3. Customs and traditions

Customs and traditions are catalysts of entrepreneurship, but in societies where traditions exclude or do not encourage entrepreneurial activities, economic growth suffers a major blow. For example, women in Vietnam used to occupy a subordinate economic position, giving men the freedom to make all the important decisions for the family (Hampel-Milagrosa, Van Hong, Quoc & Thanh, 2010). Female entrepreneurs perceive that their being female, and the corresponding social roles and relations associated with it, make it more difficult for them to start and continue businesses, compared to males. Changes in family composition that lead to female family headship rarely occur, but socio-economic demands in urban areas have recently altered traditional family headship notions. Despite this, men still consider themselves as custodians of education and skills to start up a business (Hampel-Milagrosa *et al*., 2010).

Similarly, value systems of certain societies exert constraints, such as some customs that expect women to practise wearing a full veil on their face. This restricts genders from mixing at work, and puts restrictions on travelling alone. “Our customs and traditions discourage women from seeking or offering employment. We find it difficult to review such proposals independently, to travel and recruit people, and interact with other institutions”, asserted an entrepreneur who wished to recruit people for her business venture. Family structure is patriarchal, women are supposed to do only the minor work, and are restricted from making decisions and sharing responsibilities, outside their homes (Al-Sadi, Belwal & Al-Badi, 2012: 67).

3.3.3. Socio-economic values

Like many other factors in the macro environment, socio-economic values play a major role in supporting entrepreneurial initiatives in any region. For instance, household wealth and household prices are expected to positively influence entrepreneurial start-ups. Both of these variables

measure the potential access to financial capital for a new business venture (Nijkamp, Moomaw & Traistaru-Siedschlag, 2006:144).

Reynolds (1997) posited that socio-economic factors that may have an effect on starting up a venture are unemployment levels, employment rate, productive structure and specialisation, among other variables. However, the extent to which these macro-level variables affect start-ups directly (reducing opportunities, raising barriers), or through their effect on intentions (reducing people's willingness and self-perceived capacity to start a venture) remains to be established (Liñán *et al*., 2009). With regard to unemployment (another variable of socio-economic constructs), a study conducted by Nijkamp *et al*. (2006:144) revealed that it had an undetermined impact on start-up rates across the regions or states of the European Union (EU). Paradoxically, unemployment rates are expected to positively correlate with the number of start-ups as people are forced to search new sources of income.

Education as a variable of socio-economic conditions has also proved to be ambiguous in terms of support to the entrepreneurship intentions. Generally, educational attainment is expected to influence the number of business start-ups. However, Guesnier (1994 cited in Nijkamp *et al.*, 2006) found the propensity to create a new firm positively correlated with adults with bachelor's degrees, while Hart and Gudgin (1994 cited in Nijkamp *et al*., 2006) found an inverse relationship with individuals with university degrees and the rates of new firm formation. For the purpose of this study, socio-economic factors that were explored are income, economic development and level of employment.

3.3.3.1. Income

Luiz and Mariotti (2011:60) affirmed that students from both the poorest and richest households are most likely to think that they will start up their own businesses. There are, however, some diverging opinions concerning which type of business these students would like to open: those from a

richer background think of opening an innovative business, while those with a poor background think about more basic enterprises.

Students from lower income groups feel and see entrepreneurship as a necessity, as a result of some doubt about their ability to find job. To the contrary, students from higher income groups are more confident about finding jobs in large companies and the ability of building a career, thereby seeing entrepreneurship as a risky choice (Luiz & Mariotti, 2011:60). The overall finding of Luiz and Mariotti's (2011:60) study is that students from the poorest background appear to be more positive about starting their own businesses and also appear to have access to more information.

3.3.3.2. Economic development

Farrington *et al*. (2012:333), Mueller (2004) and Shane (1992) postulated that the occurrence of entrepreneurial attributes varies across countries and cultures, while factors contributing to these differences have been identified as being the culture, level of economic development of the country, and the political-economic traditions (Mueller *et al*., 2002).

Kumar (1997) posited that entrepreneurship promotes capital formation, creates large scale employment opportunities, promotes balanced regional development, reduces the concentration of economic power, stimulates wealth creation and distribution, leads to increasing gross national product and per capita income, leads to improvement in the standard of living, promotes the country's export trade, induces backward and forward linkages and facilitates overall economic development.

The previous paragraph clearly argues inversely with one of the arguments put forward in the current study – that economic development enhances entrepreneurial intention of entrepreneurial behaviour. This is therefore an indication that entrepreneurship and economic development go hand in hand, and that they are mutually inter-reliant. Furthermore, this confirms the necessity of the current study to be able to bring to light the

extent to which economic development enhances the entrepreneurial behaviour of the university students in the Western Cape.

3.3.3.3. Employment level

Various types of research indicate a positive relationship between unemployment and firm formation (Keong, 2008:54). Many business founders have stated that during the recession they opted to found their own businesses in order to avoid unemployment. Keong (2008:54) further argued that many research results have revealed that comparatively high proportions of nascent entrepreneurs are among the unemployed. As such, the variables of unemployment situations can be assumed to have the strongest direct influence on behaviour and the current employment status is assumed to affect intention and conviction.

3.3.4. Self-efficacy

One of the hypotheses of the current study is that self-efficacy has a positive impact on students' decisions about venture creation. It is therefore necessary for a thorough discussion about this construct to take place. Researches in this area have been consistent in terms of what self-efficacy can do for entrepreneurship. For example, Bandura (1997 & 1989) found that self-efficacy is a key to determining human agency and has convincingly shown that those with high self-efficacy for a particular task are more likely to pursue and then persist in that task.

In the view of Krueger and Brazeal (1994:94), formal theory-driven models of intentions, anchored by perceived self-efficacy, are very useful in understanding intentions toward planned, intentional behaviours such as entrepreneurship. On the other hand, intentions models assume that the target behaviour is prominent in the decision maker's mind. As an example, Krueger and Brazeal (1994:94) affirmed that everyone has the potential to bungee jump, but few have well-formed intentions to do so and that salient change in the situation is needed to precipitate intentions and thus behaviour.

3.3.4.1. What is self-efficacy?

Self-efficacy is the belief in one's ability to perform certain activities successfully. Self-efficacy, self-belief, self-assurance, self-awareness and feelings of empowerment are essential for both social learning (acquiring appropriate positive attitudes) and social confidence – believing in one's idea and waiting to take it forward (European Commission, 2012:49).

Self-efficacy is a person's belief in their ability to execute a targeted behaviour (Ajzen, 1987). Krueger (1993); Krueger, Reilly and Carsrud *(*2000) pointed out that previous studies have identified self-efficacy as a key contributor to entrepreneurial intentions, either directly or indirectly through influencing perceived feasibility.

Perceived self-efficacy is the perceived personal ability to execute target behaviour, meaning that self-efficacy is an attribution of personal competence and control in a given situation. It is therefore allied conceptually and empirically to attribution theory, which has seen growing interest in entrepreneurship research (Krueger & Brazeal, 1994:92).

Bandura (1997) clarified the role of self-efficacy in individuals who are entrepreneurially oriented. He asserted that: "Self-efficacy reflects the individual's innermost thoughts on whether they have the abilities perceived as necessary to afford a task, as well as the belief that they will be able to translate those skills into a chosen outcome". Similarly, other researchers have noted that self-efficacy motivates people throughout their lives, rather than by objective ability, and that our perceptions affect both our affective states and our behaviours (Markham *et al*., 2002).

Similar to the current study, Bandura *et al*. (2001) support the view that self-efficacy is one of a variety of socio-cognitive influences on career aspirations among children, and that it influences the development of both entrepreneurial career intentions and subsequent actions (Bird, 1988; Boyd & Vozikis, 1994).

3.3.4.2. Towards the promotion of self-efficacy

In the view of Krueger and Brazeal (1994:97), promoting self-efficacy is more than teaching competencies, whereby students or trainees should fully internalise those competencies through perceived mastery. It is crucial for learning institutions or government to provide credible models of critical behaviours, bearing in mind that non-credible models can result in reduction of self-efficacy. Psychological and emotional support will also boost self-efficacy. Importantly, and consistently with the current study, Dyer (1994) and Kourilsky (1995) postulated that self-efficacy can be enhanced through social persuasion, or from the positive encouragement and feedback that individuals are given by professors and instructors, through entrepreneurship programmes.

3.3.4.3. Role of self-efficacy

Self-efficacy helps to determine how much effort people will spend on an activity, how long they will persevere when confronted with obstacles, and how resilient they will be in the face of adverse situations. It represents serious cognitive bias because it leads to the false perception of a very low possibility of failure, while it is an important prerequisite for entrepreneurial actions (European Commission, 2012:50).

Self-efficacy can also be regarded as a distinguishing feature between managers and entrepreneurs. In their study of managers and entrepreneurs in East Germany, Utsch *et al*. (1999) observed that self-efficacy, or belief in one's ability to succeed and control rejection of outside forces, is the major difference between managers and entrepreneurs.

Cox *et al.* (2002) are of the opinion that the teaching methods in most entrepreneurship educational programmes, which include the use of guest speakers and case studies, can also target self-efficacy through the use of role models, as these help individuals to form judgements of their own capabilities through personal comparison. Self-efficacy can also be

enhanced through social persuasion, or from the positive encouragement and feedback that individuals are given by professors and instructors in entrepreneurship education programmes. Self-efficacy instils in students the skills needed to plan and make strategic decisions, regardless of their personality traits (Chen *et al*., 1998), while it helps potential entrepreneurs to ensure that they follow through with their intentions.

In the same vein, Krueger and Brazeal (1994:94) posited that self-efficacy is linked to initiating perseverance in behaviour under high uncertainty, to setting higher goals and to reducing threat rigidity and learned helplessness. The authors even went to the extreme to ascertain: “No self-efficacy, no behaviour”. Self-efficacy also contributes to the reduction of behavioural rigidity in the face of threats, while it fortifies persistence and performance in the face of harsh conditions (Bandura & Wood, 1989). For Bandura (1986), “Perceived self-efficacy is the strongest single predictor of career choice”.

The study conducted by Krueger and Brazeal (1994:97) also revealed that some potential entrepreneurs tend to operate with little information about possible obstacles, tending to see obstacles that are simply not there and not seeing very real obstacles. However, if someone has developed a well-planned intention to start a business, they would more likely be able to investigate those obstacles than someone for whom intentions are salient.

Self-efficacy predicts opportunity recognition. It is therefore not surprising that self-efficacy perceptions appear central to intentions of entrepreneurship (Scherer *et al*., 1989). Self-reported competencies predict entrepreneurial performance (Chandler & Jansen, 1992). In the view of Bandura (1997), self-efficacy in our abilities comes from four key sources:

- Mastery experiences
- Modelling

- Social persuasion
- Judgments of our own physiological states.

For the purpose of this study, only social persuasion as part of socio-cultural aspects is discussed. Other socio-cultural aspects fall outside the scope of the study.

As alluded to by Wilson *et al*. (2007:389-390), the relationship between self-efficacy and career choice has been well established in the career theory literature, but most of those studies have not included specific career options around entrepreneurship, and this statement validates the undertaking of the current study.

The current study measured the extent to which socio, cultural and socio-economic aspects impact on self-efficacy, and how this in turn affects the decision to create a venture.

3.4. CHAPTER SUMMARY

This chapter focused on the theories around the key constructs of the research topic, namely social values, cultural factors, socio-economic aspects, self-efficacy and the variables arising from them. Theoretical frameworks that underpin the study, namely the Theory of Reasoned Action and the Theory of Planned Behaviour, have been discussed.

The TRA suggests that individuals' beliefs influence their attitudes, which then form a behavioural intention, while the core value of the theory of planned behaviour is that it accounts for conditions where people do not have complete control over their behaviour (perceived behavioural control). In fact, there are two important aspects of this theory: firstly, behavioural control has motivational intent; and secondly, there is the possibility of a direct link between perceived behavioural control and behaviour.

Concerning the social values (family, work and parents' education), with the exception of the parents' education, the literature suggests that family and parents' work, as well as that of the students themselves, plays an equal role in children's entrepreneurial development, while it affects enterprise drive. Family background can be a motivator for entrepreneurial intentions, and being in a family that is entrepreneurial significantly impacts individuals' intentions to start their own businesses.

The literature has revealed that cultural values (language, religion, and customs and traditions) are all important factors that boost entrepreneurial intentions. Culture is an essential aspect in any discussion about entrepreneurship as it determines the attitudes of people towards the initiation of entrepreneurship. For example, the ability to communicate in a language allows an enterprise to successfully break into the mainstream market, while the availability of information in a language that one speaks fluently constitutes a major boost for entrepreneurial initiatives.

However, with the exception of income, other socio-economic variables (economic development and employment level) were not found to have much impact on entrepreneurial intentions. Further studies are needed to clarify this matter.

Finally, self-efficacy has been identified as one of the major influencers of the development of both entrepreneurial career intentions and subsequent actions. The next chapter discusses the concepts of entrepreneurial intention for a further understanding of its role in encouraging people into entrepreneurial behaviour. The literature on this topic clarifies the state of entrepreneurial intentions in the world as well as in the South African context.

CHAPTER 4
ENTREPRENEURIAL INTENTIONS (DECISIONS)

4.1. INTRODUCTION

While the previous chapter focused on the development of the theories about the constructs of the study, the objective of this chapter is to discuss the meaning and the context of entrepreneurial intentions, as well as its sphere of influence in shaping individuals to become venture creators. Entrepreneurial intention is the key variable of this study, and consequently deserves a deeper development and discussion. Aspects such as individual behaviours (Ajzen, 1991), and organisational outcomes such as survival, development and growth (Mitchel, 1981), have been predicted by intentions. The importance of intention as an antecedent of planned behaviour (such as founding a new business) has been emphasised since more than two decades ago (Krueger & Brazeal, 1994). With this said, the capacity to understand and to predict an intention becomes a fundamental topic for both managers and entrepreneurs (Tubbs & Ekeberg, 1991).

Furthermore, Ajzen (1991) posited that since entrepreneurship is becoming a very relevant instrument to promote economic growth and development, it is also regarded as a way of thinking that emphasises opportunities over threats. The opportunity identification process is clearly an intentional process, which offers a means to explain and predict entrepreneurship, hence why it is relevant to focus on it.

As pointed out by Reynolds (1992), entrepreneurial activity does not happen in vacuum. It is, rather, embedded in a cultural and social context, often resulting from a web of human networks that are both social and economic. However, it is equally important to note that the Pasteur's theory, (1854) "Chance Favours the Prepared Mind", about the progression of the science applies equally to the entrepreneurial context,

where it says, “Opportunities are seized by those who are prepared to seize them”.

According to Tubbs and Ekeberg (1991), intentions occupy a central position in the study of human behaviours, and Ajzen and Fishbein (1980) underscored the above statement when they elucidated that most behaviours of social relevance, such as health-related behaviours or the establishment of new organisations, are under volitional control. Similarly, Kolvereid (1996) posited that from a psychological point of view, the intention to become an entrepreneur has been described as the single best predictor of actual behaviour.

In the same vein, Krueger *et al*. (2000:413) postulated that an individual’s intent to create a venture precedes the search for and discovery of new venture opportunities and “It seems evident that much of what we consider entrepreneurial activity is intentionally planned behaviour”. Entrepreneurial activity equips the people of any given country with a set of attributes (i.e. personality traits, skills, aptitudes and desires) (Krueger & Brazeal, 1994; Thomas & Mueller, 2001) and as the prevalence of these attributes among a given population increases, it results in the likelihood of entrepreneurial behaviour leading to entrepreneurial activity in that country (Mueller, 2004). It is therefore necessary to understand the intentions which will help researchers and theoreticians to discover related phenomena, such as what triggers opportunity scanning, the sources of ideas for a business venture, and how the venture can ultimately become a reality (Keong, 2008:49).

4.2. ENTREPRENEURIAL INTENTIONS DEFINED

Bird (1988) defined intention as a state of mind directing a person’s attention (and therefore experience and action) toward a specific object (goal), or a path, in order to achieve something. Choo and Wong (2009) further posited that intention is the single best predictor of entrepreneurial behaviour, while Mazzarol, Volery, Doss and Thein (1999) posited that

starting a business is not an event, but a process which may take many years to evolve and come to fruition.

Other scholars, such as Vesalainen and Pihkala (2000) and Bird (1988), defined intentionality as a conscious state of mind that leads attention (and therefore experience and action) toward a specific object (goal) or pathway to achieve it. Hence, according to them, individuals who start a business not only have a propensity to start, but in addition adopt a rational behaviour to attain their goals. Intentionality is thus grounded on cognitive psychology that attempts to explain or predict human behaviour. Similarly, Pihie (2009) articulated that intentionality is seen as a behavioural intention resulting from attitudes and becomes an immediate determinant of behaviour.

Van Gelderen, Brand, Van Praag, Bodewes and Van Gils (2008) and The European Commission (2003) defined entrepreneurship in the following terms: “an attitude reflects an individual’s motivation and capacity to identify an opportunity and to pursue it, in order to produce new value or economic success”. They extended the definition to: “Entrepreneurship is the capacity and willingness to undertake conception, organisation, and management of a productive venture with all attendant risks, while seeking profit as a reward”.

Linking the above entrepreneurship definitions to the intention, Henley (2007) pointed out that entrepreneurship is an intentional activity in that, for many individuals, those intentions formed at least a year in advance of new venture creation, suggesting a link between entrepreneurship and intention. Choo and Wong (2009) posited that entrepreneurial intention is the search for information that can be used to help fulfil the goal of venture creation. A further definition which has been suggested is that entrepreneurship intentions can also be described as one’s judgments about the likelihood of owning one’s own business. The personal commitment of the would-be entrepreneur to found a business has a significant impact on shaping the entrepreneurial intention.

On the other hand, a number of authors, such as Deakins and Freel (2009), Ramana, Aryasri and Nagayya (2008), Mahadea (2001), Entrialgo, Fernandez and Valquez (2000), and McClelland (1961a), have researched some important attributes that distinguish entrepreneurs from non-entrepreneurs: “Traits, characteristics and skills are associated with entrepreneurial success, and these attributes are the ones that distinguish entrepreneurs from others, and individuals who possess them may be predisposed or more likely to engage in entrepreneurial activities”. Raab *et al.* (2005) and Cromie (2000) reached the same conclusions.

Further studies about entrepreneurial intention have been conducted by Fini *et al*. (2009:4) who defined it as a cognitive representation of the actions to be implemented by individuals to either establish new independent ventures or to create new value within existing companies. Tubbs and Ekeberg (1991) stated that an intention can be described as a cognitive representation of both the objective (goal) an individual is striving for and the action plan they intend to use to reach that objective. Central to both definitions is the role of the objectives (goals) and their ability to foster and influence intention.

Entrepreneurial aspiration refers to a stated desire to start up a new venture, or an expectation that one will be started (Henley, 2005:1). However, Markham *et al*. (2002) argued that though academics have been engaged in researches about entrepreneurial intentions, decades have gone by without reaching an understanding of the factors or of the processes through which entrepreneurial intentions develop and come into existence. This statement also justifies the understanding of the current study. It is true that entrepreneurship is an intentional activity, and this raises some important interrogations about the way in which, and the timescale over which, those intentions are formed (Henley, 2005:1).

Understandably, Fatoki (2010:88) revealed that more studies on entrepreneurial intentions have focused mainly on developed countries, while Barbosa and Moraes (2004) argued that studies conducted in

developing countries are also very important, though they may reach different conclusions from those carried out in developed countries, due to the environmental differences between developed and developing countries. An example from the researcher is that crime that is higher in South Africa than in most developed countries may affect the entrepreneurial intentions.

Table 4.1: Entrepreneurial attitudes and perceptions in SA, 2009-2010

Year	Perceived good business opportunities (%)	Believe they have entrepre-neurial capa-bilities (%)	Have entrepre-neurial intentions (%)	See entrepreneur-ship as a good career choice (%)	Believe that successful entrepre-neurs have high status (%)
2009	35	35	11	64	64
2010	41	44	17	77	78

Source: (GEM, 2010:19)

Table 4.1 displays the percentages of the perceptions of entrepreneurial intentions among some South Africans. Sadly, the number of respondents who believed that they had entrepreneurial intentions is surprisingly low (11% and 17% in 2009 and 2010 respectively), and this justifies the earlier recommendations by Scheepers *et al.* (2009) of how to enhance these rates. Entrepreneurial intentions are derived from perceptions of desirability, feasibility and a propensity to act upon opportunities (Lee, Wong, Foo & Leung, 2011:126).

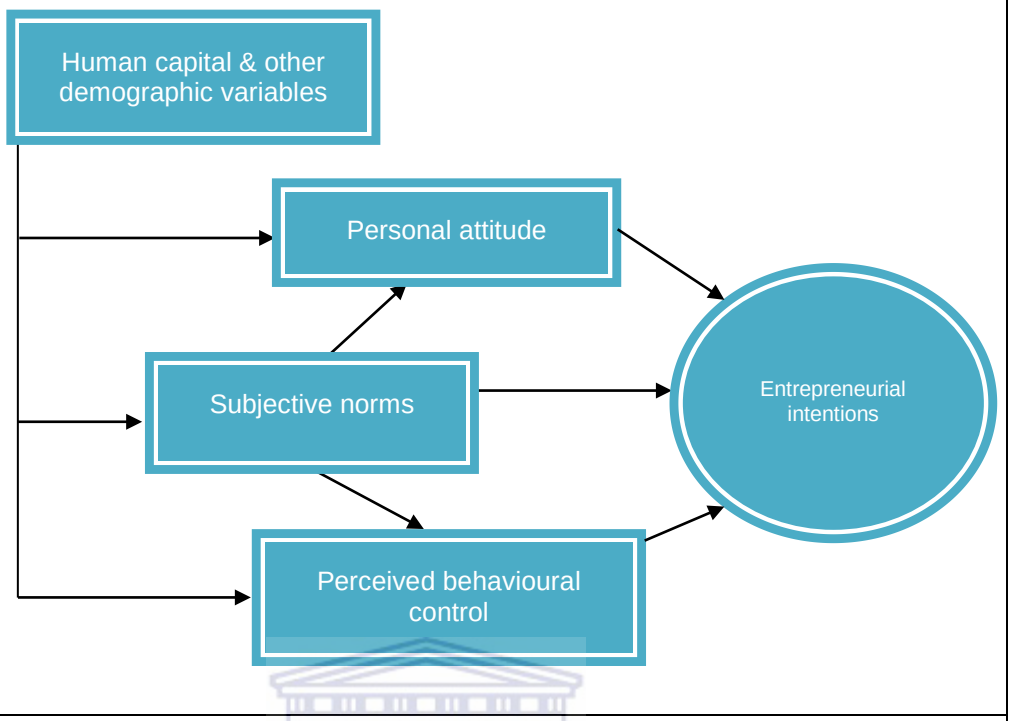

Figure 4.1: Entrepreneurial intention model

Source: Liňán & Chen (2009)

The model in Figure 4.1 above shows the role of society in shaping entrepreneurial intentions. Human capital, personal attitude and subjective norms are all life variables that individuals nurture from the community they live in, and together with what they perceive to be the measurement of their success in a particular behaviour, their intentions to behave entrepreneurially can be created.

Intention-based models describe how exogenous influences can change intentions and, ultimately, a venture creation (MacMillan & Katz, 1992), while they provide practical insight to any planned behaviour, better general understanding of how intentions are formed, and allow the understanding of founders' beliefs, perceptions and motives to form the intention to start a business.

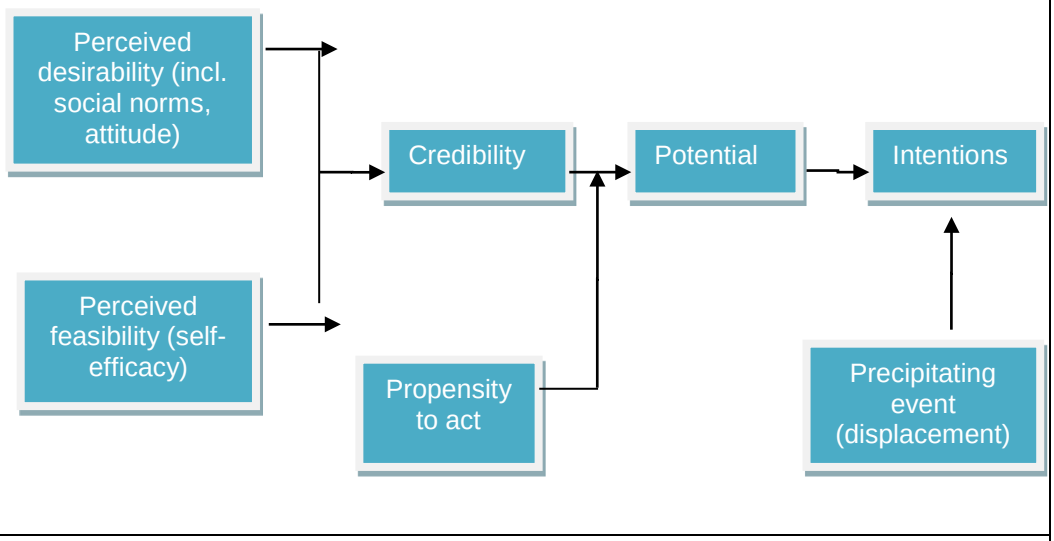

Figure 4.2: Model of entrepreneurial potential

Source: Krueger & Brazeal (1994:95)

The model in Figure 4.2 above considers the role of society as well as individual aspects as crucial towards entrepreneurial intentions. However, the model also considers that in certain circumstances some events may occur and disrupt the normal course of events leading to entrepreneurial intentions.

Similarly, Gartner (1985) and Van de Ven, and Hudson and Schroeder (1984) are of the opinion that researchers have developed models of entrepreneurial process which incorporate behavioural and situational factors. Brockhaus (1982) and McClelland (1961a) posited that researches on factors influencing entrepreneurial behaviour have been mainly focusing on trait or personality characteristics of individuals.

In the view of Bird and Katz (1992), entrepreneurship is exactly the type of planned behaviour for which intention models are ideally used in understanding the business venture formation intentions. The intention models offer coherent, highly generalised, and robust theoretical frameworks for understanding and predicting entrepreneurial activities.

Peterman and Kennedy (2003:130) posited that models focusing on attitudes and antecedents have been proposed to better explain the entrepreneurial process. Prominent among those models are:

- Bird (1988), and developed by Boyd and Vozikis (1994)
- Shapero (1975; Shapero and Sokol, 1982) model, tested by Krueger (1993)
- Davidsson (1995b) variation, which in 1997 was extended and applied by Autio, Keeley, Klofsten & Ulfstedt, to the university situation.

Keong (2008:52) alluded to a number of models which guide empirical study and analysis of entrepreneurial intentions, such as the following mostly recognised models:

- Bird (1988), Shapero and Sokol (1982). These models attempt to integrate research findings about the determinants of entrepreneurial intentions and behaviour.
- Krueger and Brazeal (1994). Krueger (1994) models are a continuation and improvement of Shapero and Sokol (1982), Bird (1988).
- Other models that have been used for comparison include those proposed by Bird (1988), Boyd and Vozikis (1994), Martin (1984), Naffziger, Hornsby and Kuratko (1994) and Scott and Twomey (1988).

In the view of Peterman and Kennedy (2003:130), dominant models of entrepreneurial intentions are largely homologous in that they all focus on the pre-entrepreneurial event and integrate attitude and behaviour theory (Ajzen, 1991) and self-efficacy and social learning theory (Bandura, 1986).

Additionally, the dominant models include exogenous factors, environmental factors, volitional elements and the influence of supportive environments, suggesting that these factors contribute to the coalescing of

entrepreneurial attitudes and intentions (Peterman & Kennedy, 2003:130). Each of the above dominant models is explained below.

4.2.1. Bird's (1988) model, developed by Boyd and Vozikis (1994)

The foundation of Bird's entrepreneurial model is bound in the theory of cognitive psychology which attempts to explain or predict human behaviour. In the view of Boyd and Vozikis (1994:64) and Fishbein and Ajzen (1975), intentions are understood to be a function of beliefs that provide a link between beliefs and subsequent behaviour. That is, people with beliefs develop attitudes toward performing a given behaviour based on the belief that performing such behaviour will result in certain consequences as well as normative behaviour about the beliefs. Fishbein and Ajzen (1975) and Boyd and Vozikis (194) illustrated this relationship in the following way:

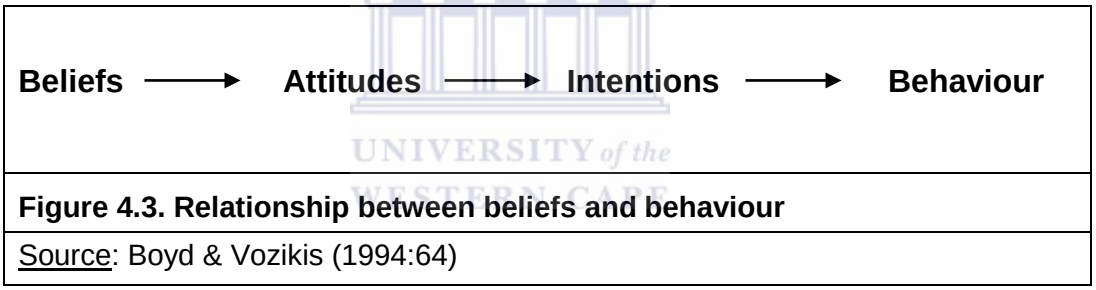

Figure 4.3. Relationship between beliefs and behaviour

Source: Boyd & Vozikis (1994:64)

What Boyd and Vozikis illustrate in Figure 4.3 above is the importance of the cognitive aspects between adopting a particular behaviour such as entrepreneurial behaviour, through stages such as believing in what you intend to do, then acquiring the right attitude before acting. Most of the entrepreneurial intentions models that have been developed have also mentioned the role of these aspects. Some models, such as both of Bird's (1988) models presented below, comprise a mixture of social and cognitive aspects for individuals to acquire entrepreneurial intentions. Figures 4.4 and 4.5 below are entrepreneurial intentions models which both consider social and cognitive aspects to be essential to influence behaviour.

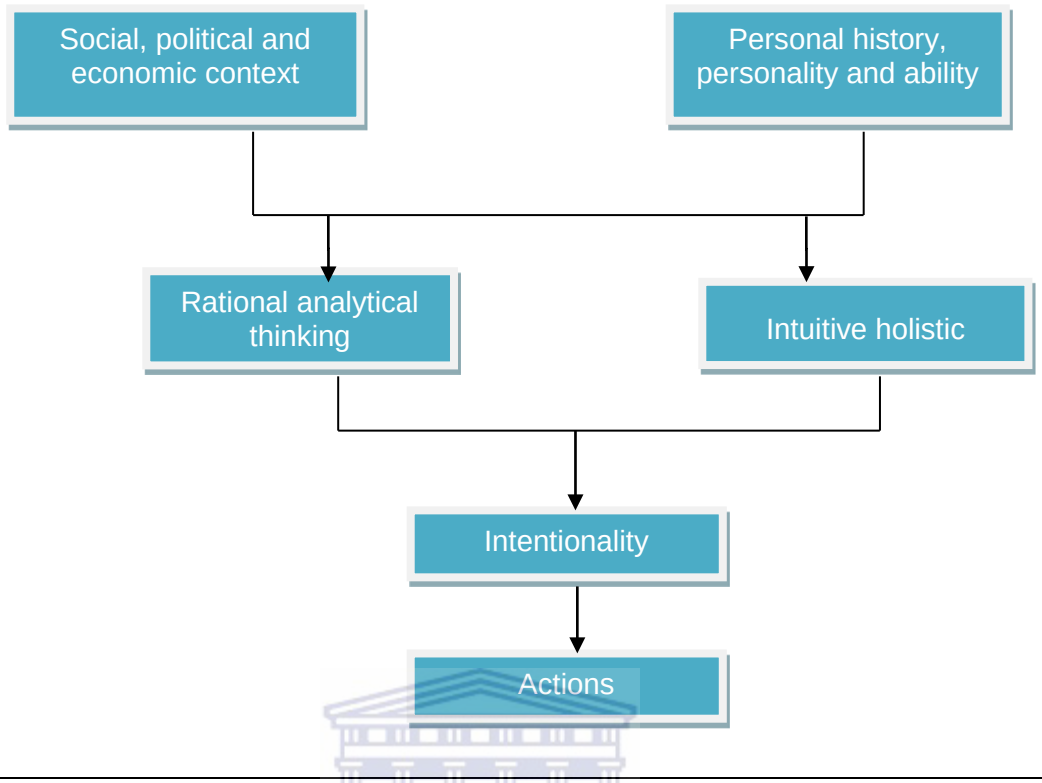

Figure 4.4: Bird's (1988) context of entrepreneurial intention

Source: Boyd & Vozikis (1994:65)

According the model above, individuals are predisposed to entrepreneurial intentions, based on a combination of both personal (such as experience as an entrepreneur, personality characteristics, and abilities) and contextual factors (such as social, political, and economic variables such as displacement, changes in markets, and government deregulation).

When he revised his model, Bird (1988) added the dimensions of stored information as evolving from both personal and contextual variables, attitudes and perceptions resulting from rational analytic thinking and intuitive holistic thinking, as well as self-efficacy which is an outcome of these cognitive thought processes. Self-efficacy is particularly influenced by mastery experiences, observational learning, social persuasion, and perceptions of physiological well-being that have been derived from the personal and contextual variables.

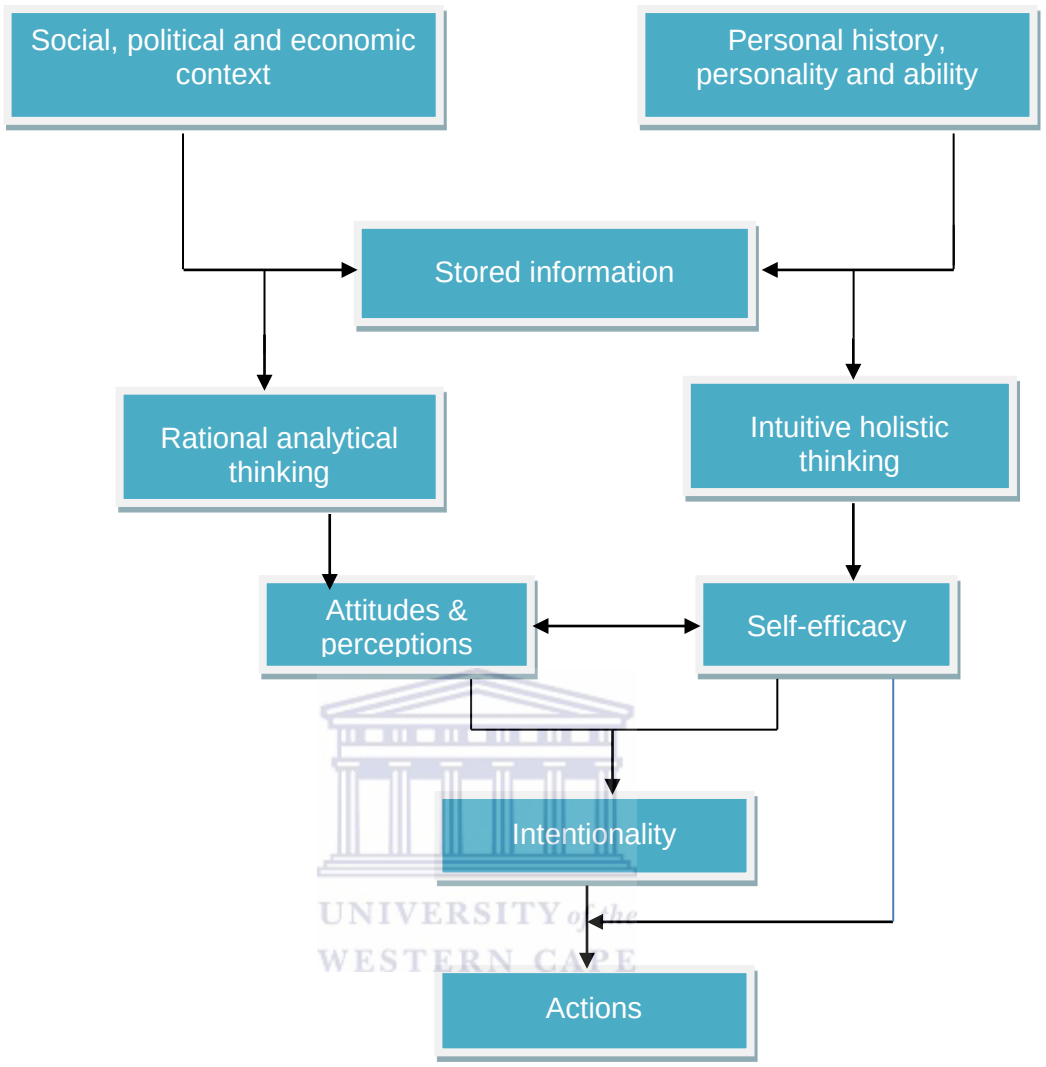

Figure 4.5. A revised model of Bird's (1988) context of entrepreneurial intention

Source: Boyd & Vozikis (1994:69)

4.2.2. Shapero (1975); Shapero and Sokol (1982) model, tested by Krueger (1993)

This model suggests that a person's intent to start a business is influenced by perceived desirability, perceived feasibility and the propensity to act (Peterman & Kennedy, 2003:130-131).

Shapero assumed that people are motivated by displacement, which could be either positive or negative. Shapero then maintained that people's

resulting behaviour will depend on their propensity to act and the relative credibility of alternative behaviours. Perceived desirability, perceived feasibility and the propensity to act are presented as direct antecedents to entrepreneurial intentions. Shapero suggested that an individual's attitude towards entrepreneurship would be indirectly influenced by their prior exposure to entrepreneurship, through prior work experience and the existence of the role models. Shapero's argument is in contrast with one argument of the current study which suggests that students' backgrounds are important in shaping their intentions of becoming entrepreneurs.

This model has been tested by Krueger (1993) incorporating positive effects of prior experience to capture prior exposure to entrepreneurship. It is then, after this streamlining, that the model has become a material fitting in the scope of the current study.

4.2.3. Davidsson's (1995b) variation model

This model is based on previously presented models that attempted to integrate empirical research findings about determinants of entrepreneurial intentions and behaviour, especially those of Bird (1988), and Shapero and Sokol (1982), as well as the models proposed by Krueger and Brazeal (1994), and Krueger (1993). Davidsson's model also considers other models such as Boyd and Vazikis (1994), Martin (1984), Naffziger *et al.* (1994) and Scott and Twomey (1988). It takes into consideration the empirical research on the characteristics of entrepreneurs/business founders such as Brockhaus (1982), Brockhaus and Horwitz (1986), Stanworth, Blythe, Granger and Stanworth (1989), or nascent entrepreneurs (Reynolds, 1997).

The model is based on the aggregate level results concerning structural and cultural influences on new firm formation rates and rates of economic growth, as reported by Davidsson (1995b), McClelland (1961a), Lynn (1991), and Reynolds, Storey and Westhead (1994).

Finally, using the basic economic theory and psychological theories, i.e. the social learning theory of Bandura (1986) and the Theory of Planned Behaviour (Ajzen, 1991), Davidsson designed the model in Figure 4.6 below to present entrepreneurial intentions.

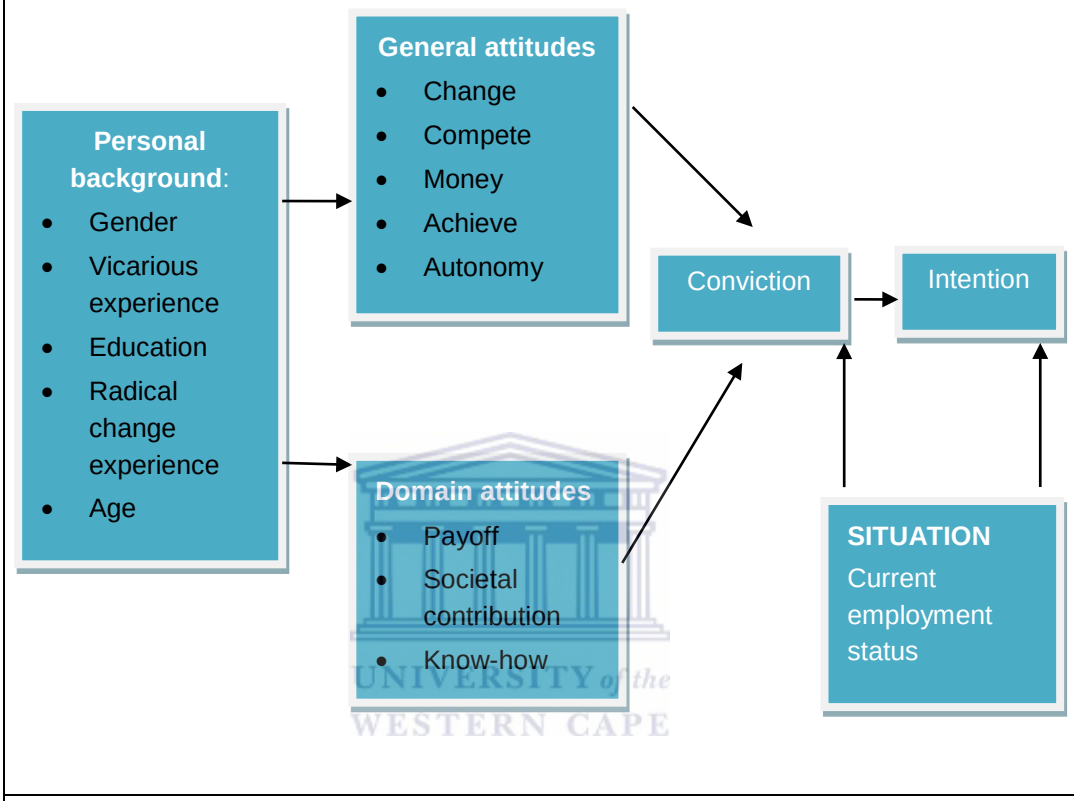

Figure 4.6: An economic-psychological model of determinants of entrepreneurial intentions

Source: Davidsson (1995b)

4.3. ROLE OF ENTREPRENEURIAL INTENTIONS

As ascertained by Krueger and Brazeal (1994), intentions have been proven to be the best predictors of individual behaviours, particularly when the behaviour is not common, is difficult to observe and measure, or involves unpredictable time lags. Delmar and Davidsson (2000) supported this argument that entrepreneurial ideas start with inspiration, though intentions are needed in order for them to become manifest.

Entrepreneurial intentions are crucial to the process of entrepreneurship as they form the first in a series of actions taken to organisational founding (Bird, 1988). Intentions of behaviour can be strong indicators of that behaviour (Fishbein & Ajzen, 1975). Furthermore, Bird (1988) posited that the role of entrepreneurial intention is especially manifest in the beginning of the organisation, since the influence of other external stakeholders, corporate structure, politics, image and culture, is not yet established. Consequently, the founder's intention determines the form and the direction of a nascent organisation at its inception.

Van Gelderen *et al*. (2008) stated that entrepreneurial intentions play a central role in understanding the entrepreneurship process, because they form the underpinnings of new organisations and, because entrepreneurship occurs over time, entrepreneurial intentions might be viewed as the first and pivotal stage in an evolving, long-term process. Entrepreneurial intentions have an effect on the intended or newly established organisation, but also influence the actions of existing organisations. In the context of organisations, due to the intentional processes, individuals pursue and exploit opportunities to the best of their abilities (Stevenson & Jarillo, 1986). As a result, existing organisations embody and elaborate intentions that ultimately affect a venture's success. An illustrative example would be Chief Executive Officers' (CEOs') entrepreneurial intentions directly affecting the organisation that they lead.

In support of the above statement, Wiklund (1999) showed that CEOs' intentions to create a new value within existing organisations, which is accomplished through the values of innovative, proactive, and risky actions (Miller, 1993), have an impact on venture growth. Following a similar approach, Wiklund and Shepherd (2003) empirically demonstrated that the intention to be innovative and proactive while taking risks enhances a firm's performance. In the view of Henley (2005:3), psychological evidence claims that intentions are a crucial predictor of subsequent planned behaviour and that entrepreneurial intention is an

important phenomenon, one that has attracted substantial cognitive research. Similarly, Zampetakis and Moustakis (2006:415-416) underscored the above statement by saying that in psychology literature, intentions have proved to be the best predictor of planned behaviour. These authors' understanding of the role of psychological variables in the development of entrepreneurial intentions has been guided primarily by three models:

(1) Bird's model of implementing entrepreneurial ideas (already discussed previously)
(2) Shapero's model of an entrepreneurial event (discussed previously)
(3) Ajzen's Theory of Planned Behaviour (discussed in Chapter 3).

All the aforementioned models encompass "personal contexts" such as an individual's personal history, personality, abilities, self-efficacy, and propensity for action. Empirical analysis has shown that intentions successfully predict behaviour, while attitudes successfully predict intentions (Kim & Hunter, 1993).

4.4. DOMAINS OF ENTREPRENEURIAL INTENTIONS

As found in the extant literature, Bird (1988) highlighted the two dimensions responsible for the establishment of entrepreneurial intentions as: i) individual domains (demographics, personality traits, psychological characteristics, individual skills, motivation, and prior experience, individual network and social ties); and ii) contextual variables (environmental support and influences, social context, markets, economics, and organisational factors).

In their work about the individual domain, Zhao, Seibert and Hills (2005) affirmed that psychological characteristics (e.g. risk-taking propensity and entrepreneurial self-efficacy), together with developed skills and abilities, influence entrepreneurial intentions. Other scholars studying the role of contextual dimensions showed that environmental influences such as

industry opportunities and market heterogeneity (Morris & Lewis, 1995), and environmental support such as infrastructural, political and financial support (Lüthje & Franke, 2003), impact entrepreneurial intentions.

However, Bird and Katz (1992) posited that results for empirical evidence suggest that situational or environmental variables (for example employment status or information cues), or individual variables (for example demographic characteristics or personal traits), are poor predictors which usually result in disappointingly small explanatory power and validity. Instead, the current forms of employment and changes thereof, such as displacement, window of opportunity and free-choice period are among the most important situational influences. Furthermore, Bird and Katz (1992) articulated that intention models are preferred because they offer us a significant opportunity to increase our ability to understand and predict entrepreneurial activity.

In the same fashion, MacMillan and Katz (1992) stated that personal and situational variables typically have an indirect influence on entrepreneurship through influencing key attitudes and general motivation to act. For example, role models will affect entrepreneurial intention only if they change attitudes and beliefs such as perceived self-efficacy. As the model in Figure 4.6 above suggests, and as confirmed by Herron and Sapienza (1992) and Naffziger *et al*. (1994), there seems to be an interactive process between personal characteristics and the environment in which people act. The current study, however, does not include a discussion about the personal characteristics which influence people's decisions about entrepreneurship, but does include social, cultural, and socio-economic and educational contextual variables that may influence people's willingness to become entrepreneurs.

4.4.1. Contextual domain

4.4.1.1. Environmental support

Entrepreneurial activity may also be explained by the impact of the surrounding business environment. Some of the environmental factors, as mentioned by many scholars, include government policies, as well as the characteristics of the local context (such as availability of logistic infrastructure, financial investors and externalities) and more specifically, university support mechanisms, which all influence entrepreneurial activities (Morris & Lewis, 1995). For example, governments may intervene with funding schemes, tax policies and other support mechanisms that aim at mitigating market inefficiencies and promoting entrepreneurship (Lerner, 1999). Concerning the local context, several studies have focused on the ability that a fertile environment, rich in both tangible (physical infrastructure, corporate physical assets, Research and Development [R&D] laboratories) and intangible (human capital, routines) resources, has in fostering entrepreneurial intention (Niosi & Bas, 2001).

Furthermore, financial support such as the availability of venture capital, and entrepreneurial support services, such as training opportunities, small loans, physical infrastructure and business plan competition, have been identified as leading factors from the environment in support of entrepreneurship (Feldman, 2001; Foo, Wong & Ong, 2005).

Finally, scholars have argued that specific university support mechanisms are also relevant in fostering technology transfer activities and, consequently, in supporting entrepreneurial actions. The policies and instruments that have been put in place by universities in order to support academic entrepreneurship (among other things) are quite varied, and include technology transfer offices and faculty consultants (Mian, 1996), university incubators and physical resources (Mian, 1997), and university venture funds (Lerner, 1999).

4.4.1.2. Environmental influence

In the view of Wiklund (1999); Wiklund and Shepherd (2003) academics have focused on the predictive power that the environment has on entrepreneurial intentions and subsequent behaviours. With the creation of new independent ventures, scholars have shown that start-ups are not evenly distributed across all high-technology industries; biotechnology and computer software are the two most common such industries in the United States (US) (Lowe, 2002).

Industry characteristics may drive individuals' entrepreneurial intentions. An important dimension is represented by the effectiveness of patents in an industry. The creation of new ventures is more likely to occur in industries in which patents are more effective. Hsu and Bernstein (1997) postulated that the strength of patent protection in a technical field is important in explaining the willingness of individuals to found new companies and to foster entrepreneurial behaviours.

Environmental factors can facilitate or impede entrepreneurial activities and thus affect the perceived cost/benefit ratio of new venture creation (Ajzen & Madden, 1986). These factors may also play a key role in instilling entrepreneurial intentions in students; Table 4.2 lists some factors that may negatively affect students.

Table 4.2: Factors that may negatively affect students' entrepreneurial intentions
1. Difficulty to obtain venture capital
2. High competitive pressures on start-up businesses
3. Difficulty to find a business idea for a business that has not been realised or tested before
4. Unwillingness of banks to readily give credit to start-up companies
5. Poor information about government subsidies that are available for a business
6. The bureaucratic procedures for founding a new company
7. The rigidity of rules, regulations and the laws for running a company
8. Lack of positive image of the entrepreneur in the society
9. The inefficiency of courses at university to prepare students well for self-employment and to encourage entrepreneurship.
Source: Adapted from Ajzen & Madden (1986)

4.4.1.3. Organisational factors

Along with the reviewed dimensions, organisational-related dimensions also account for forming entrepreneurial intentions. These factors are particularly relevant for individuals willing to promote entrepreneurship through the creation of value within existing firms. This influence on the entrepreneurial intentions of the organisation's top management was examined by Covin and Slevin (1988). They compared organically-structured firms with mechanistically-structured firms and their findings indicate a direct and positive relationship between organic organisations and top management's entrepreneurial intention.

However, Burgelman (1983) added that factors may be specifically supportive of entrepreneurship at the top of the organisational structure. These can be new managerial and organisational approaches, as well as innovative administrative arrangements, which are required to facilitate the collaboration between entrepreneurial participants and the organisations in which they are active.

In an attempt to understand what encourages people to become entrepreneurs, a trait approach was often used, and endless lists of quasi entrepreneurial traits were suggested (Hornaday, 1982). It turned out that this line of research was unable to give more than a small fraction of the answer to the question: "What makes people found new firms?" (Davidsson, 1992; Gartner, 1989; Low & MacMillan, 1988). It has been convincingly argued that personal background characteristics have a more reliable influence on the decision to found one's own firm than psychological traits have (Reynolds, 1991, Stanworth *et al.*, 1989).

Aldrich and Wiedenmayer (1993) ascertained that a response to the limited success of the trait approach has been to view firm creation in the context. Fini *et al*. (2009) pointed out that entrepreneurial intention is influenced by psychological characteristics, individual skills and environmental influences, as illustrated in Figure 4.7.

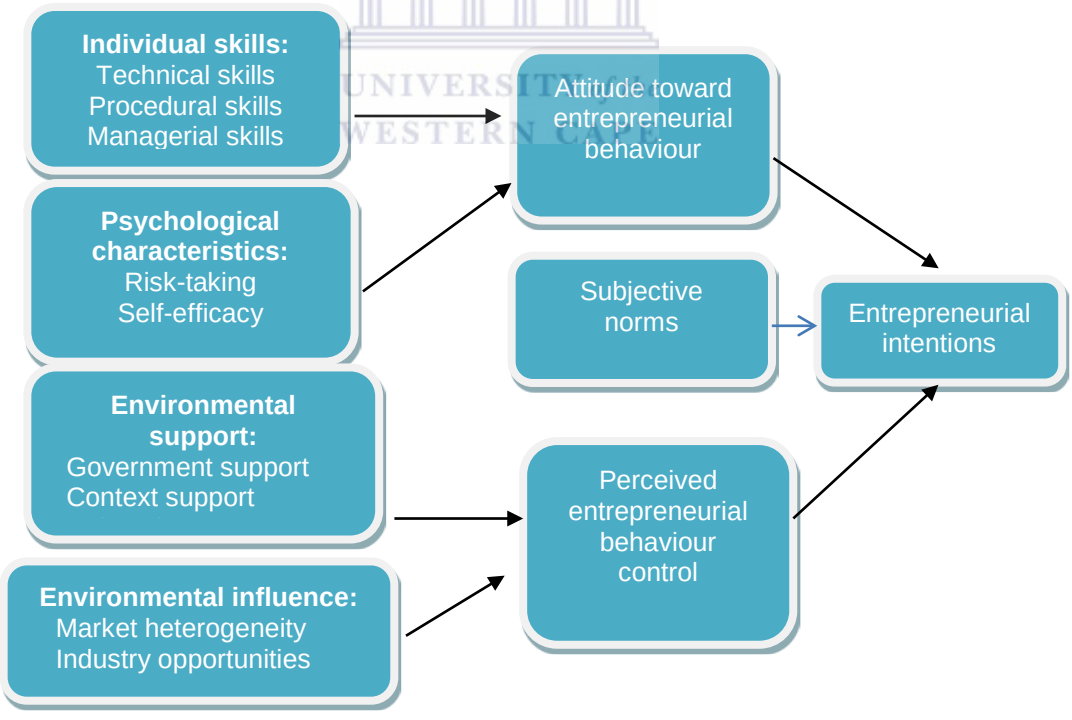

Figure 4.7: Conceptual model of the micro-foundation of entrepreneurial intention

Source: Fini *et al*. (2009:403)

4.5. STIMULATING ENTREPRENEURIAL BEHAVIOUR IN THE ACADEMIC COMMUNITY

In the view of Keong (2008:60), the academic environment is an important milieu to influence students' intentions, as universities are in a position to shape and encourage entrepreneurial intentions. Even more significantly, they can foster entrepreneurial spirit among their graduates, or can dampen optimism to convert students who were originally interested in entrepreneurship into interest only in a career. It is therefore vital to encourage the initiation of an entrepreneurial spirit by establishing a creative and supportive atmosphere for idea generation.

Keong (2008:60) articulated that there are a number of ways through which universities can foster entrepreneurship in respect of personality traits, attitudes, other context factors, and activities to promote an inclination toward starting a new business. From a student perspective, the university environment should promote the following:

- A creative atmosphere which inspires the students to develop ideas for new businesses.
- Courses to foster the social and leadership skills needed by the entrepreneurs.
- Courses which provide students with the knowledge required to start a new company.
- Building multi-disciplinary student teams.
- The process of founding a new company, and a strong network for founding.

The lectures need to promote skills and knowledge which are critical for future entrepreneurs. The school of business needs to support more effective interaction of students from various disciplines, such as interaction between science, engineering, and management students. This can be interpreted as an important development process, as the new

multi-disciplinary university venture teams are more likely to make adequate decisions in the founding process (Robert, 1991).

In the view of Keong (2008:50), most people have a very positive attitude towards entrepreneurship, though very few of them, particularly university graduates, have actual plans of turning the ideas into actions. In fact, a negative correlation exists between education and entrepreneurship, i.e. the more educated people are the less likely they are to act as entrepreneurs.

Given the above views, Wameryd and Foley (1987) observed that education has a positive influence on intention because of the opportunity cost situation – that is, the relationship becomes complex because people with higher education normally have a better offer or better chances of success and attainment of personal goals, and thus prefer being business owner-managers, or even employees, instead of going into self-employment.

University programmes should promote entrepreneurial education in more courses to change the students' mindset about the concept of entrepreneurship, to improve the graduates' interest in and intention of entrepreneurship (Keong, 2008:50). Kemat (cited in Keong, 2008) advised that in order to promote an entrepreneurial spirit, and desire and intention among the graduates, it is imperative that structural change in the educational system be undertaken for the following reasons:

- Entrepreneurial training is lacking in early education.
- Most of the courses available prepare students or graduates to be knowledgeable employees instead of being employers.
- The career education is not effective in shaping more entrepreneurs and exposing them to business opportunities, in order to make self-employment a career choice.

- The educational programmes and training provided should help to develop certain characteristics of entrepreneurship besides the knowledge and technical know-how for the business venture.
- An effective and flexible programme, appropriate teaching materials, and sufficient research and reference materials should be made available in entrepreneurial education.
- Certain policy frameworks are needed for implementing entrepreneurship education at national level, to improve the quality and effectiveness of the programmes, to open up such education and training to all and to make these programmes easily accessible.

4.5.1. Entrepreneurship stimulation at the University of Twente (Netherlands)

The stimulation of entrepreneurial behaviour is an important task, and since the mid-1980s the University of Twente has offered various entrepreneurship programmes for aspiring students, targeting different groups in the university.

At the undergraduate level, there is a minor entrepreneurship programme for all the students. It comprises a three-month programme with courses on:

- Market-oriented entrepreneurship
- Financial management
- Business law
- “Become your own boss” (writing a business plan for your own company)
- “Managing an SME” (support in writing a business plan for an existing company).

Furthermore, entrepreneurship and entrepreneurship-related courses are incorporated in other (technical) Bachelor programmes, such as the course Market-oriented Entrepreneurship, which is offered to second year

students in Industrial Design, and courses on Technology Dynamics and Entrepreneurship which are among the core subjects in the Bachelor Advanced Technologies (Van der Sijde, 2003).

The University of Twente also offers a Master's degree in Innovation and Entrepreneurship, incorporated within the Business Administration Master's programme. Since September 2007, students have had the opportunity to enrol in the two-year double degree M.Sc. Innovation and Entrepreneurship programme, offered in collaboration with Aalborg University in Denmark. On the Master's level, Nikos[2] also contributes to the Business and Innovation Technology Master, and is starting – at the request of the technical Master's programmes – to offer courses on entrepreneurship in the Nanotechnology and the Biomedical Technology programmes (Van der Sijde, 2003).

At the postgraduate level, the Knowledge Park[3] and Nikos offer an entrepreneurship workshop for PhD students and their supervisors. Stimulation of researchers to become more entrepreneurial is embedded in the system of the research institutes: each research institute has a managerial commercial director whose task is to look for opportunities to convert academic knowledge into business.

4.6. STATE OF ENTREPRENEURIAL INTENTIONS AROUND THE WORLD

In its 2012 report on effects and impacts of entrepreneurship programmes in higher education, the European Commission maintained that entrepreneurship education stimulates the intentions of individuals to become entrepreneurs. In the same vein, Franke and Lüthje (2004:3) postulated that entrepreneurial intentions may be enhanced at school

[2] Nikos: Dutch Institute for Knowledge-Intensive Entrepreneurship.

[3] Knowledge Park (Kennispark): A park of 40 ha situated next to the University of Twente, where small and big companies take tenancy.

level, since they are associated with factors that are at least under the school's control.

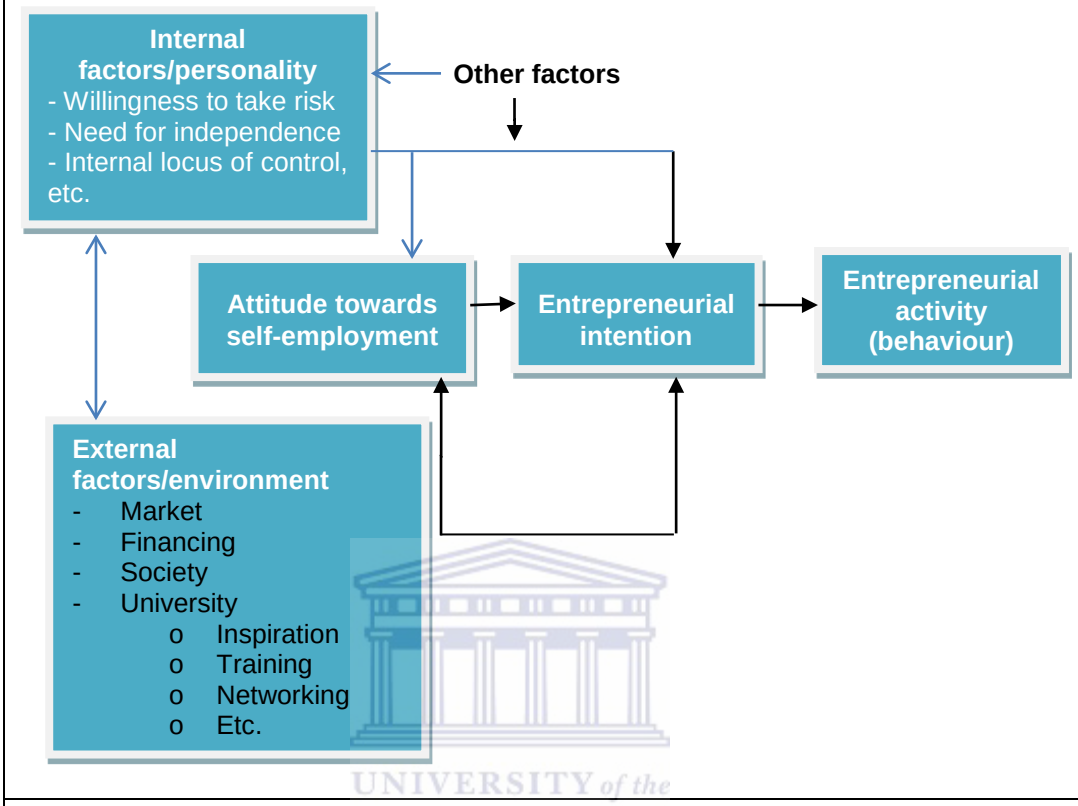

Figure 4.8: A conceptual model of the entrepreneurial decision process

Source: Franke & Lüthje (2004:4)

In addition to the social and cognitive aspects of the entrepreneurial candidate, the model in Figure 4.8 above expands the scope of the macro-environment by introducing a new element of school into the social environment, as well as financing in the economic environment, with aim of instilling entrepreneurial intentions among students.

In the view of Béchard and Toulouse (1998), a very prominent external factor influencing the student's decision process is found in the universities and their didactic activities. A comparative study was conducted between two European German-speaking universities, namely the University of Munich and the University of Vienna, and one American University, the Massachusetts Institute of Technology (MIT). The study indicated that MIT

students possess a higher entrepreneurial intention, stronger intentions to found new businesses, and are more ambitious than their European counterparts – as shown by Table 4.3 below.

Table 4.3: Intentions to start a business after graduation

University	Very likely	Likely	Unlikely	Very unlikely	N	Mean (std. dev)
Munich	6.1	19.3	59.0	15.6	295	2.84 (.75)
Vienna	7.8	28.4	45.6	18.1	408	2.74 (.84)
MIT	19.0	30.6	35.4	15.0	147	2.46 (.97)
ANOVA: F=10.087 (2df among 847 within groups), *p<0.001*						

As identified by Franke and Lüthje (2004:11-12), the stronger intentions at MIT can be ascribed to personality traits, attitude toward self-employment, environmental factors as well as the university as a specific environmental factor. However, as already mentioned earlier, the personality aspects (willingness to take risks, need for independence, locus of control), as enhancer of entrepreneurial intentions, are not in the scope of the current study, thus only the remaining aspects are elaborated further.

According to Ajzen and Madden (1986) and Ajzen and Fishbein (1980), attitudes usually impact intended behaviour to a certain extent. In the context of the study by Franke and Lüthje (2004:12), it was found that the more students value the entrepreneurial career path, the stronger their intentions are to become entrepreneurs themselves. MIT students' attitudes towards self-employment are by no means more positive (mean of 3.15) than those of Munich students (mean of 3.01), while the question about attitude was not posed to the Vienna students for some technical reasons.

Concerning the environmental factors (market, financing, government policy, society and university), the intention to start a venture involves an economic assessment in which students compare the expected costs and benefits of a career as an entrepreneur. These environmental factors can facilitate or hamper entrepreneurial activities and thus affect the perceived cost/benefit ratio of new venture creation, as they may also play an important role in instilling entrepreneurial intentions in students (Franke & Lüthje, 2004:13).

Lee and Wong (2004) articulated that outside human factors such as time constraints, task difficulty, the influence of other people, and social pressure are good examples of the factors which positively affect the intentions of behaving entrepreneurially.

As many people would expect, the findings on the environmental factors were that MIT students perceive their environment to be more favourable in all the variables, while six of the ten variables show significant differences. They perceive their environment as more helpful than their German-speaking counterparts do, which leads to the hypothesis that these perceived environmental factors might be responsible for the huge differences in entrepreneurial intentions among them (Franke & Lüthje, 2004:14).

Furthermore, the study investigated the role of the university as a specific environmental factor in boosting entrepreneurial intentions. Franke and Lüthje (2004:15) postulated: “The academic context is an important part of the students’ environment, as universities are in a position to shape and encourage entrepreneurial intentions”. Variables that were used were initiation (such as creative atmosphere that inspires developing ideas for new business), development (such as courses fostering the social and leadership skills for entrepreneurs, courses equipping students with required knowledge), and active participation (the university actively promoting the process of founding a new company, as well as the university providing a strong network of new venture investors).

The study found that the USA business school seems to be better prepared to instil an entrepreneurial spirit in the students than the German-speaking universities, and in the process the USA business school initiates the entrepreneurial decision process among their students. The stimulation of entrepreneurship may be a result of a number of factors in the education programme, such as exposing the students to role models in entrepreneurship as well as to frontier technologies and groundbreaking ideas (Franke & Lüthje, 2004:16).

Another way of supporting entrepreneurship intention through development is through more effective interaction of students from various disciplines (e.g. science, engineering, management). These multi-disciplinary new venture teams are more likely to make adequate decisions in the founding process (Roberts, 1991; Roure & Maidique, 1986).

Lastly, in the pre-creation of a business venture, the establishment of networks, particularly by making connections with potential technology, funding and marketing partners, was proven to be of crucial importance; so was the fact that specific factors of entrepreneurial education and support at university level do instil an entrepreneurial spirit among the students (Franke & Lüthje, 2004:16).

4.7. STATE OF ENTREPRENEURIAL INTENTIONS IN SOUTH AFRICA

In his study, Fatoki (2010:91) found a low level of entrepreneurial intentions among graduates in South Africa. The results reveal that most graduates prefer to work for private companies or public organisations rather than venturing into entrepreneurship.

Fatoki's results correlate with Kazela's findings in 2009: that the general motivation among disadvantaged communities is to earn an academic qualification which will make them more suitably qualified for the employment market. They find this preferable to considering self-

employment. This is the same reason for the low Total Early-Stage Entrepreneurial Activity (TEA) rate in South Africa as that pointed out by Herrington *et al*. (2009). In Fatoki's (2010:92) opinion, the low level of entrepreneurial intentions in South Africa results from a number of obstacles that include the lack of capital.

A study by Scheepers *et al.* (2009:59) on entrepreneurial intentions and behaviour of South African university students investigated the sector which students would prefer to venture into, their relative innovativeness of their concept, their current experience, as well as the steps they go through to turn their intentions into reality.

4.7.1. Industry of potential business establishments

The following table indicates the students' opinions about the sector in which they would prefer to establish their businesses.

Table 4.4: Comparison of industries in which businesses would be established

Industry	South Africa %	International (%)
Primary services	64.1	66.8
Primary trade	15.6	15.5
Manufacturing	11.7	13.7
Primary manufacturing	7.7	4.0

Source: Scheepers, Solomon & De Vries (2009:46)

Table 4.4 reflects a consistency between South African and international students with regard to their preferences of the industries in which they would found enterprises. Of South African and international students, 64% and 67% respectively would prefer to establish their businesses in primary services such as consulting. Excluding the difference in primary manufacturing, there are strong similarities between the opinions of the two groups which show that the minds of South African students about entrepreneurial intentions are in alignment with international norms.

However, the question is raised as to whether the trend continues when students complete their studies and face the outside world as graduates. Consequently, one needs to consider macro-environmental factors as possible game-changers. A recommendation to this effect is presented in the final chapter of this dissertation.

4.7.2. Innovativeness of potential business establishments

The following table indicates the level of innovation for the potential business establishments for both South African and international students.

Table 4.5: Comparison of the degree of innovation of the potential business

Industry	South Africa %	International %
Traditional, proven concept	48.6	41.2
New for your city/region	22.4	28.4
New for your country	18.6	19.0
New worldwide	10.5	11.4

Source: Scheepers, Solomon & De Vries (2009:47)

Table 4.5 above also shows a consistency with regard to the degree of innovation of potential business between South African students and their international counterparts. Further interpretation is provided in Section 4.7.5.

4.7.3. Experience of respondents for potential business establishments

The table below indicates the results collected from respondents about their practical experience, with regard to the four marketing categories.

Table 4.6: Practical experience of SA respondents in four marketing categories		
Experience	**No %**	**Yes %**
Distribution channel	75.9	24.1
Industry	70.5	29.5
Products/Services	57.2	42.8
Customer group	56.1	43.9
Source: Scheepers, Solomon & De Vries (2009:48)		

Table 4.6 shows a huge lack of experience in marketing among South African students. The lack of knowledge of this key business function may hinder the entrepreneurial intentions among the students.

4.7.4. Activities (steps) undertaken to establish planned business

Table 4.7 indicates how determined those students who indicated their intentions to establish businesses were, by naming the activities they would undertake.

Table 4.7: Activities (steps) taken towards setting up a business by the SA sample		
Activities (steps)	**Frequency (n)**	**Per cent (%)**
No steps taken	501	25.4
Thinking through initial business ideas	1 150	58.4
Writing down the initial business ideas	607	30.8
Developing a business plan	381	19.3
Gathering start-up specific information	558	28.3
Visiting start-up specific events	240	12.2
Talking to potential sources of financing	293	14.9
Determining a start-up date	138	7.0
A prototype of the product/service exists	185	9.4
Others	86	4.4
Source: Scheepers, Solomon & De Vries (2009:49)		

4.7.5. Talking points from Tables 4.4, 4.5, 4.6 and 4.7

Most students indicated their interest in operating businesses in the service industry, based on a traditional, proven concept. Students who participated in the study as respondents indicated that they had experience with the products and services and the customer group they would like to venture in.

Less than a third of the respondents had experience in the distribution channel and industry in which they would like to establish their businesses, while most of the students took only tentative steps, such as information-gathering and thinking through some business ideas (Scheepers *et al*., 2009:59). Concrete ideas such as writing a business plan, talking to financiers, developing a prototype or deciding on the starting date were undertaken by a few students but, in the author's

opinions, South African students were more active than their international counterparts who participated in the study as shown in table 4.5. The South African sample indicated at a highest percentage that it should take more time to think about the initial business ideas than rushing to start it.

4.7.6. Reasons for choosing entrepreneurship as a career

As ascertained by Scheepers *et al.* (2009:62), South African students indicated their reasons for entering entrepreneurship, which interestingly are the same as the international students' reasons but the order of importance differs as shown on Table 4.8.

Table 4.8: Students' reasons for choosing entrepreneurship: Comparative table

SA students' reasons	International students' reasons
To fulfil a personal vision	To be free to adapt the approach to work
To grow and learn as a person	To fulfil the personal vision
To get flexibility for personal life	To grow and learn as a person
To adapt the approach to work	To have greater flexibility in personal life
Source: Adapted from Scheepers, Solomon & De Vries (2009:62)	

This similarity is a clear indication of shared characteristics among entrepreneurially-minded people. On the other side of the scale, both sets of respondents indicated the continuation of a family tradition as the least important factor of entering entrepreneurship. In the author's opinion, this is due to the fact that few of the respondents have parents who are entrepreneurs (Scheepers *et al*., 2009:62).

4.8. CHAPTER SUMMARY

While Chapter 3 discussed the different constructs of the study in more detail by showing the gaps and relevance in relation to the current study, this chapter, Chapter 4, has focused on the key construct of the current study – the entrepreneurial intentions.

It was argued that intentions occupy a central position in the study of human behaviours, which is the reason why it is an important dimension to use when one examines entrepreneurial intentions. Entrepreneurial intention has been defined as an attitude that reflects an individual's motivation and capacity to identify an opportunity and to pursue it in order to produce new value or economic success. This chapter showed that intentions are the most important factor for the entrepreneurial behaviour of both individuals and organisations.

Three different models of entrepreneurial intentions were presented and critically discussed in order to extract the similarities and the differences highlighted by the different authors. The roles of having and instilling entrepreneurial intentions were also highlighted. The chapter ended with a review of entrepreneurial intentions in many parts of the world, and compared the responses of students from two European universities with the responses of students from the Massachusetts Institute of Technology (MIT) in the USA regarding their entrepreneurial intentions. It was discovered that entrepreneurial intentions are higher in the United States of America than in Europe.

Finally, entrepreneurial intentions in South Africa were found to be very low, with many university graduates having a low spiritual orientation towards self-employment. However, this attitude was found to be driven by many factors such as lack of capital. It is also worth mentioning that very few studies on entrepreneurial intentions in South Africa exist, and hence the current study suffered due to lack of information in this regard. It is thus clear that South Africa is still far from understanding what really

motivates the South African youth, especially university students. In order to address the shortcoming, policies in entrepreneurship need to be formulated. It is in this context that the current study finds its justification. The next chapter discusses the methodology used to carry out the study.

CHAPTER 5
RESEARCH METHODOLOGY

5.1. INTRODUCTION

The literature review in the previous chapters has clarified the field in respect of the basic constructs of the study. This chapter describes the research methodology used for this research study. Hussey and Hussey (1997) ascertained that there are numerous types of research, such as exploratory, descriptive, analytical predictive, quantitative, qualitative, deductive, inductive, applied and basic research.

Research methodology is the description of the paradigm, approach, design and the rationale for data collection that enables the researcher to discover new knowledge. Furthermore, research design is a creative process that reflects the personal preferences of the researcher. At the same time, there are guidelines for designing a research project that individuals in the field would concur are the essential components of that specific activity. Leedy (1993) argued that whichever methodology is selected will depend on the overall level of rigour that is being sought, the constraints placed on the researcher and the resources available to perform the research.

Irrespective of the type of research they intend to undertake, researchers need to focus their efforts on answering two important questions:

(1) What methodologies and procedures will be used in the research?
(2) How does one justify the choice and use of these methodologies and procedures?

The research methodologies and procedures for this research were specifically chosen to achieve the research objectives. This justification of choices is presented in this chapter, and the development of the survey questionnaire is also discussed.

This chapter consists of five sections:

- Section one discusses the research process.
- Section two elaborates on the research design employed in the study.
- Section three explains the design of the questionnaire.
- Section four describes how the questionnaire was administered.
- Section five evaluates the factor structure of the items used for statistical analysis.

5.2. SECTION ONE: FACTORS CONSIDERED DURING THE RESEARCH PROCESS

5.2.1. The research process

The research process followed the procedure of a hypothetico-deductive method, as suggested by Sekaran (2003:29). According to this method, scientific inquiry proceeds by formulating a testable hypothesis in a form that could be falsified by a test on the observable data. It was introduced by the English scholar, William Whewell (1794-1866), and popularised by the Australian philosopher, Karl Popper (1902-1994).

The hypothetico-deductive method consists of the eight steps illustrated in Figure 5.1. A brief discussion on each of the eight steps employed in this study follows.

Step 1: Observation

For the purpose of this research, the observation took place in a few universities while lecturers were conducting their lectures. The information collected on the way entrepreneurship is taught was used to supplement the data about the methods used to dispense entrepreneurship education. The same information was also used to construct the questionnaire, which justifies the use of the qualitative methods in the study, as it consisted of observing experiential learning of the participants in their normal environment.

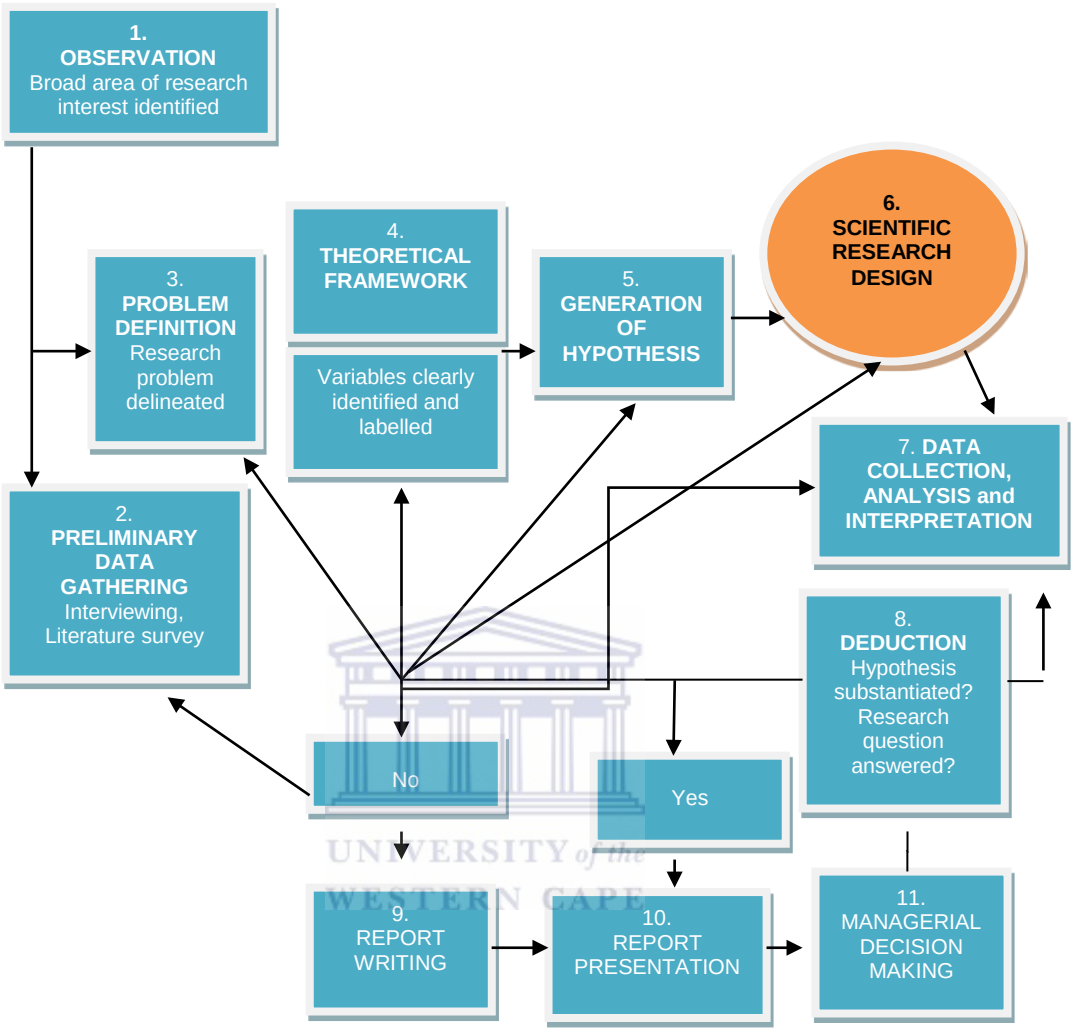

Figure 5.1: The research process – steps of the hypothetico-deductive method

Source: Sekaran (2003:117)

Step 2: Preliminary information gathering

Preliminary information gathering was conducted by talking informally to several students so that the researcher could get a "feeling" of what was transpiring in the actual situation. At the same time, the literature review was conducted. This information was used to assist the researcher during the design of the questionnaire. The process also stressed the use of qualitative methods, as the respondents communicated about their

practical knowledge and understanding of the phenomenon under investigation.

Step 3: Problem definition

After the extensive literature review (presented in Chapters 3 and 4), the problem was narrowed down from its original broad base. The information gathered from the literature review guided the researcher to determine which variables of the study were appropriate predictors of the entrepreneurial behaviour of students.

Step 4: Theory formulation

Theory formulation includes all the social, cultural and socio-economic factors that contribute to the intention of venture creation amongst university students. It is an "attempt to integrate all the information in a logical manner", and is a compilation of theories, beliefs and models from the literature review in order to conceptualise and test the reasons for the problems (Sekaran, 2003:30).

Step 5: Hypothesis

Hypothesising "is the next logical step after theory formulation" (Sekaran, 2003:31). This step was used to generate the various hypotheses to examine whether the theory formulated was valid or invalid.

Step 6: Scientific research design

A questionnaire was compiled and then adapted from previously validated studies in order to collect data to determine how social, cultural and socio-economic values shape the intention of venture creation amongst students in the universities of the Western Cape in order for them to become entrepreneurs.

Step 7: Data analysis

At this step, data was statistically analysed to investigate how the various variables influenced the students' intentions of venture creation. A few statistical tests were carried out during this stage.

Step 8: Deduction

Deduction is the process after the data has been statistically analysed, where conclusions are drawn by interpreting the meaning of the results. This is discussed in Chapters 6 and 7 of this study.

5.3. SECTION TWO: FACTORS CONSIDERED DURING THE RESEARCH DESIGN

5.3.1. Research design

Research design relates directly to the testing of hypotheses. It is a specification of the most adequate operations to be performed in order to test specific hypotheses under given conditions (Bless *et al*., 2006). The important question facing the researcher is: "What steps should be taken in order to demonstrate that a particular hypothesis is true and that all others must be rejected?" (Bless *et al*., 2006). This study was conducted in five phases:

- During phase one, the literature concerning the state of entrepreneurship in South Africa was reviewed in order to contextualise the study. At the same time, literature concerning the effect of social, cultural and socio-economic factors was reviewed. Furthermore, literature about entrepreneurial intentions was reviewed. The literature review for both sets of information was conducted from June 2012 to June 2013, and thereafter was continuously updated with the new publications throughout the study.
- Phase two consisted of drafting the questionnaire and pilot-testing it. This phase took place from July to August 2013.

- Data collection (phase three) from university students, regarding the role of their social, cultural and socio-economic settings in influencing their entrepreneurial intentions, was done during the period of September to December 2013.
- The fourth phase was the data capturing and generation of statistical data; this took place between January and May 2014.
- The fifth phase was the analysis and interpretation of the data; this took place during the period of May to August 2014.

Neuman (2000:250) argued that “Survey is often called correlational”. A survey-correlational study was found to be the most appropriate method for this study, since it has been frequently used in many researches in the same field. According to Babbie and Mouton (2001), a survey usually adopts both qualitative and quantitative methodologies. Here samples of subjects are extracted from a population and investigated to make inferences about the population.

Accordingly, the survey research method is considered particularly useful for generating quantitative data that can be used to establish the basis for wider generalisation. A questionnaire is administered to obtain participants’ responses to the variables under investigation. The data collected on these variables can then be studied using the appropriate statistical procedures. The questionnaire administered in the current study was used to test the statistical relationships among variables.

Research design involves a sequence of rational decision-making choices. Sekaran and Bougie (2010) postulated that research design is the step aimed at designing the research studies in such a way that data can be collected and interpreted to arrive at a solution. Welman and Kruger (1999:230) ascertained that research design can be either experimental or data-collection. Using the guidelines, as suggested by Sekaran (2003), the following eight design steps were considered in this research project.

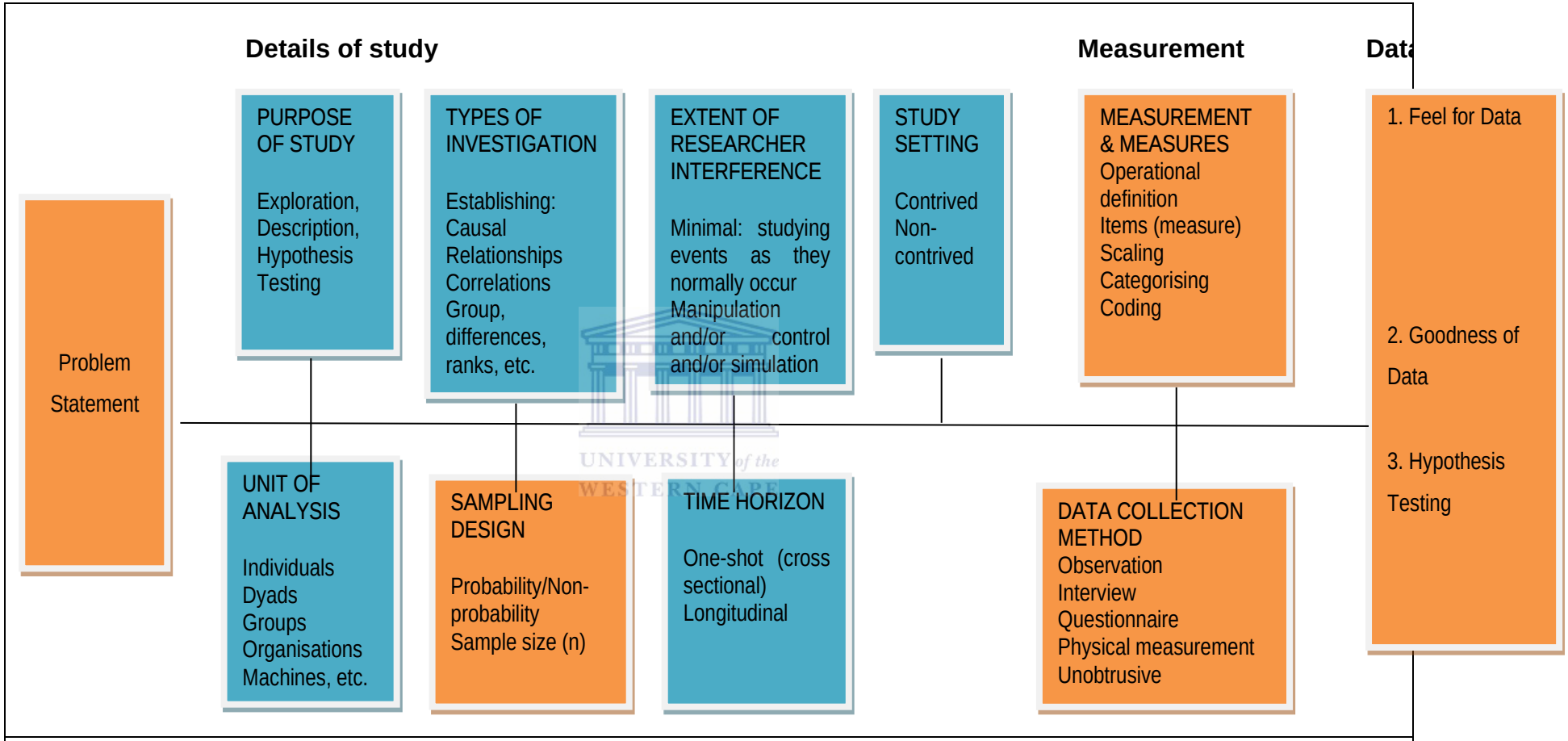

Figure 5.2: Steps in research design

Source: Sekaran (2003:118)

Based on the methodology proposed for the research, it was necessary to find a research design model that fitted the study. Each step of the model is explained in the following sections.

Step 1: Purpose of the study

The purpose of this study was to test the hypotheses. Sekaran (2003:119) stated that studies "may be either exploratory in nature or descriptive, or may be conducted to test hypotheses". Furthermore, the scholar believes that studies relating to hypothesis testing explain the nature of certain relationships; they establish the differences among groups or the independence of two or more factors in a situation (Sekaran, 2003:124).

A number of scholars such as Sekaran and Bougie (2010) and Saunders *et al*. (2003) have written on the purpose of conducting studies based on testing hypotheses, and they maintained that hypothesis testing offers an understanding of the associations that exist among variables and could create "cause-and-effect" relationships. They argued further that hypothesis testing is undertaken in order to explain the variance in the dependent variable.

Step 2: Type of investigation

The research attempted to establish cause-and-effect relationships through certain types of correlational or regression analyses. As mentioned by Sekaran and Bougie (2010), a survey-correlational study is concerned with delineating the variables related to the problem instead of delineating the cause of one or more problems.

Step 3: Extent of researcher interference with the study

The study was conducted in the natural environment of the university. Working in the natural environment minimises interference by the researcher.

Step 4: Study setting

The study was conducted in natural university settings, whereas rigorous casual studies are conducted in contrived study halls (Sekaran, 2003). Organisational research can be done in the natural environment where duties are performed in their normal settings.

Step 5: Unit of analysis

The unit of analysis refers to the level of aggregation of the data collected during the subsequent data analysis stage. Therefore, each response was treated as an individual data source. The unit of analysis is the major entity that has to be analysed in the study. Normally, it is the "what" or "who" that is being studied. For the purpose of this study, the units of analysis were entrepreneurship students' entrepreneurial intentions, as they are shaped by their socio-cultural and socio-economic values.

Step 6: Time horizon of the study

Generally, a study can be either cross-sectional or longitudinal. Cross-sectional studies are a positivistic methodology designed to obtain information on variables in different contexts but, at the same time, longitudinal studies are often, not always, associated with a positivist methodology where data on the dependent variable is collected more than once to answer the research question (Hussey & Hussey, 1997). This study is regarded as a cross-sectional study because it aimed to collect data only once over a period of a few months in order to realise the research objectives.

Step 7: Data collection

Bless *et al.* (2006:111-112) postulated that data can be categorised according to the way in which it was collected or in terms of intrinsic properties. When researchers collect their own data for a particular study, the data is called primary data, while secondary data is the data that was collected by other investigators in relation with other research problems, or

as part of the usual gathering of social data, as in the case of a census (Bless *et al*., 2006). Various methods such as observation, interview, questionnaire or physical measurement can be used to collect data. For the purpose of this study, the data collection instrument was the questionnaire.

5.4. SECTION THREE: FACTORS CONSIDERED IN THE QUESTIONNAIRE CONSTRUCTION PROCESS

5.4.1. Survey methodology

Hussey and Hussey (1997:54) strongly believe that methodology "refers to the overall approach to the research process, from the theoretical underpinning to collection and analysis of the data". In addition, these scholars stated that methodology may be associated with the following main issues (Hussey & Hussey, 1997:54):

- Why one collects certain data
- What data one collects
- From where one collects the data
- When one collects data
- How one collects data
- How the data is analysed.

Survey research is mostly quantitative in nature and seeks to provide an overview of the phenomenon being studied by using a sample. Primary data is collected by administering questionnaires that permit statistical analysis. The data collected is analysed using descriptive and inferential statistics, focusing on factor analysis, correlations, comparison of means and regression analysis (Field, 2000; Sekaran & Bougie, 2010; Saunders *et al*., 2003).

The advantages of survey studies are that they can obtain a large amount of information from a large population. Survey studies can reach a large number of respondents to participate in the study. Flexibility is another

advantage of survey studies. The study allows for the asking of questions on many variables simultaneously, therefore saving on time (Sekaran & Bougie 2010; Saunders *et al*., 2003).

Sekaran and Bougie (2010) argued that survey studies also have some disadvantages. Completing a survey can only be done on a voluntary basis. Respondents do not always respond promptly or complete the survey instrument correctly. Thus surveys need to be managed carefully to ensure a good response rate.

5.4.2. Methodology and methods

Hussey and Hussey (1997) ascertained that there are numerous methodologies such as experimental, longitudinal, survey, action research, case studies and grounded theory. The survey-correlational research methodology was considered a suitable methodology for this study. It is focused on selecting a sample of individuals from a population and then analysing this information using statistical techniques to make inferences about the population. Welman and Kruger (1999:46) suggested that only a sample of the whole population should be used when the population is large.

Methodology is concerned with the overall approach to the study or the design behind the choice of certain methods. Based on the methodology selected, it is necessary to elaborate on which methods were used for the current study.

Methods are “the particular strategies researchers use to collect the evidence necessary for building and testing theories” (Frey, Botan, Friedman & Kreps, 1991). In the current study, the following four methods were used.

- Literature search and review

- Interviews with entrepreneurship lecturers to collect preliminary information about the state of entrepreneurship education in South African universities
- The questionnaire method, which is most commonly used in collecting primary data in surveys
- Statistical methods, such as regression analysis, factor analysis and descriptive statistics to analyse the data.

The primary data was collected by means of a questionnaire survey. Primary data is the data collected by the researcher him/herself for the purpose of a particular study. Data collected in this way is most appropriate to the aims of the research, since the data gathering is directed at answering precisely the questions raised by the researcher (Bless *et al*., 2006). On the other hand, secondary data also exists and is referred to as "data which already exists" (Hussey & Hussey, 1997:86); therefore there is no need for the researcher to collect such data. Such data may not be completely adequate for a particular research problem since the purpose of its collection might have been slightly different from that of the current research (Bless *et al*., 2006).

Furthermore, the data might also have been based on different operational definitions and little may be known of other possible biases in the data collection, such as sampling biases. Hence, when a research is mainly based on secondary data, one has to pay greater attention to its interpretation (Bless *et al*., 2006).

5.4.3. Preliminary data for developing the questionnaire

Hussey and Hussey (1997) suggested that researchers should conduct interviews to collect primary information during the preliminary phase of the research. For this research study, the interviews were conducted using a face-to-face interviewing technique with both closed-ended and open-ended questions. Lecturers and entrepreneurship students were targeted. Simple random sampling was used to select the individuals to interview.

There are numerous ways of collecting information, such as in-depth interviews, observation, digital recording and open-ended questions (Remenyi, Williams, Money & Swart, 1998). Structured interviews are normally formalised and have a limited set of questions, while semi-structured interviews are flexible and allow new questions to be considered during the interview resulting from what the respondent says. Researchers in semi-structured interviews generally have a framework of ideas that they intend to explore.

During this stage of data collection, it is appropriate to use the semi-structured interview method. This allows the researcher to use various techniques to collect data that could be analysed both qualitatively and quantitatively.

During the review of the literature, the researcher collected data that helped as a framework for drafting the questionnaire. The data extracted from the literature, and the variables of the study, i.e. socio-cultural and socio-economic values, were used to show the role they play in shaping the entrepreneurial intentions in various parts of the globe, and the current study aimed to show the extent to which they influence entrepreneurial intentions in South Africa.

5.4.4. Questionnaire construction process

According to Willemse (2009:15-17), the structure of the questionnaire should ensure that there is a flow from question to question. Any radical jumps between topics will tend to disorientate the respondents and will influence the answers given. A questionnaire should be divided into different parts, such as the following:

- Administrative part: date, name, address, etc.
- Classification part: race, sex, age, marital status, occupation, etc.
- Subject matter of inquiry (questions).

Objectives of a question

1. To find out if the respondent is aware of the issue, for example, “Do you know of any plans to build a highway through the Kruger National Park?”

Yes	No

2. To get general feelings on the issue, such as, “Do you think the highway should be built?”

In constructing such a question, you can ask the respondent to provide an answer on a rating scale such as:

Strongly agree	Agree	Uncertain	Disagree	Strongly disagree

3. To indicate feeling you can also use symbols.

Yes	Not sure	No

4. To get answers on specific parts of the issue, for example, “Do you think a highway will affect the local environment?”

5. To get answers for a respondent’s view, for example, “If against, is it because:

   a. The highway will spoil the nature
   b. The highway will disturb the animals
   c. There is an adequate main road already
   d. Other?”

Alternatively, you can use open-ended question to get reasons, for example “Why are you against building the highway?”

6. i) To find out how strong these views are held, for example, “Which of the following will you do to support your view?”

   a. Write to the Director of the National Parks Board

b. Sign a petition

c. Write to a national newspaper

d. Disrupt the construction work

ii) How important is the conservation of wildlife to you?

Rate your answer: At any cost is 1 and of no importance is 4.

1	2	3	4

7. Question wording

When formulating the question, make every effort to ensure that the wording meets the following criteria:

- The question should be clear to the respondents and not open to misinterpretation. Use terms or vocabulary that the respondent understands. If you want to know the respondent's name, specify whether it should be the first name, name and surname, initials and surname, or just a nickname.
- Questions should be short, simple and to the point.
- Do not ask too many questions that are too long, because most respondents will not be prepared to spend too much time answering the questions.
- Questions should not require any calculations.
- Questions should not lead the respondent. Biased or leading questions will bias the answer given – "bias" means to cause an imbalance.
- Questions should not be phrased emotively. Place questions that may evoke an emotional response near the end of the questionnaire, since they may influence responses that will follow.
- Questions should not be offensive or embarrass the respondent.

- Wherever possible, a choice of answers should be given (closed questions). When this is not possible, adequate space should be given for answers.
- Respondents should be assured of confidentiality.

Designing a questionnaire follows a number of interrelated steps that start with the wording of the questions, how the variables will be categorised and the general appearance of the questionnaire (Sekaran & Bougie, 2010), as shown in Figure 5.3 below. Sekaran and Bougie (2010) articulated that the principles of wording comprise the appropriateness of the questions, the level of sophistication of the language and the sequencing of the questions. Furthermore, they stated that the principles of measurement refer to the scales and scaling techniques that are used in the measuring concepts.

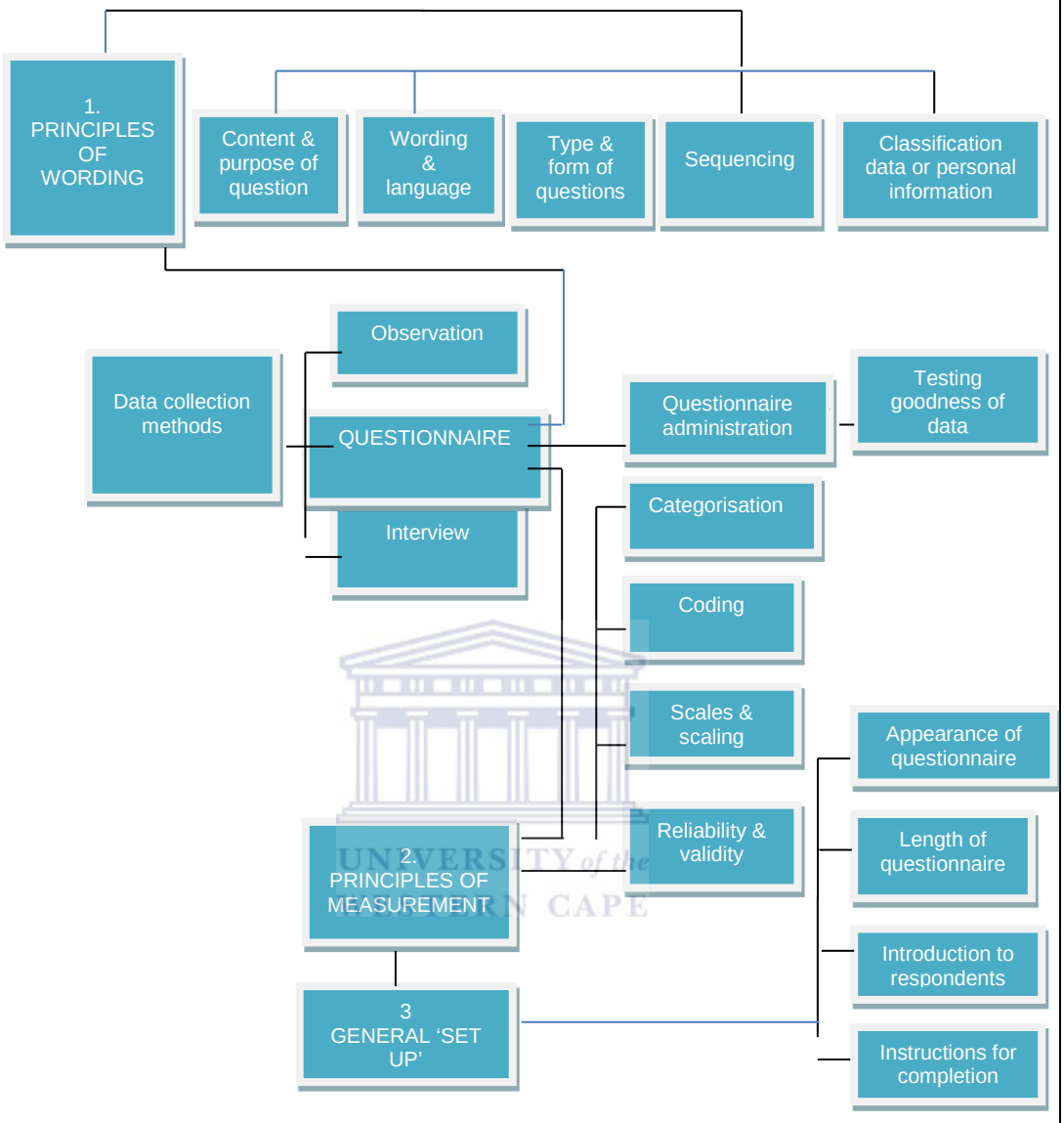

Figure 5.3: Principles of the questionnaire design

Source: Sekaran & Bougie (2010)

According to Sekaran and Bougie (2010), a good introduction, organised instructions and neat alignment of questions make answering the questionnaire much easier, and hence the term "Set-Up" or general appearance in the figure refers to the appearance of the questionnaire.

5.4.5. The survey questionnaire (data collection tool)

A questionnaire is a pre-formulated written set of questions to which respondents record their answers. Furthermore, according to the type of study, the survey questionnaire seeks evidence on “opinions or beliefs related to behaviours, experiences, activities and attitudes” (Remenyi *et al*., 1998).

According to Cooper and Schindler (2003), research data can be collected by means of personal interviews, telephone interviews and self-administered questionnaires. Baker (2003) suggested that effective communication depends on the design and the phrasing of the questions. Furthermore, Remenyi *et al*. (1998) stated that there are three important interrelated activities that the researcher should consider, namely the design of the questionnaire, the administration of the instrument and the choice of the sample should be well planned.

For the purpose of this study, personal interviews with students majoring in entrepreneurship as a study programme at the universities located in the Western Cape were used as instruments to collect data. Reasons for using the questionnaire survey method in the research are:

- Saunders (2003) and others strongly believe that using the survey questionnaire provides the researcher with more control over the research process.
- It allows for a large collection of data from a sizeable population in an economical way.
- It is an efficient data-collection tool when the researcher knows what is required and knows how to measure the variables concerned.

Remenyi *et al*. (1998) pointed out that there are two methods to collect evidence: interviews and self-completion. For the purpose of this study, the latter method was used to collect data from students.

Questionnaires present many advantages. In the view of Milne (2004), lecturers are all familiar with questionnaires, either those used in the exam papers at the end of a course or those used in research. The questionnaire can be one of many different forms: from factual to opinion based, from tick boxes to free text responses. Regardless of the form of a questionnaire, many view them as the quickest and easiest way to do research, even if this is not always true.

To obtain a useful response in a cost-effective way, it is necessary to clarify the aim of the questionnaire and how the response will help to improve the learning methods and the analysis and implementation of the results (Milne, 2004).

While designing the questionnaire, the researcher took into account aspects such as complexity, length, layout and wording. As suggested by Baker (2003), effective communication depends on the design and phrasing of the questions. After designing the questionnaire, a pilot test was conducted to check whether the questionnaire was ready for application.

5.4.6. Pilot-test

Before the researcher embarked on collecting data from entrepreneurship students, the questionnaire was pilot-tested. Baker (2003) suggested that the purpose of pilot-testing lies in checking factors such as variation, meaning, task difficulty, respondent attention, flow, order of questions and timing. Similarly, Zikmund (2003:117) articulated that a pilot-test generates primary data, usually for qualitative analysis. This characteristic distinguishes pilot studies from secondary data analysis, which gathers background information. The primary data is usually collected from employees, consumers, voters, or other subjects of ultimate concern rather than from a few knowledgeable experts or from a case situation.

According to Hussey and Hussey (1997), Saunders *et al.,* (2003) and Sekaran (2003*),* the questionnaire must be pre-tested and changes must

be made where necessary. After the pre-testing and improvement to the questionnaire, the respondents should not have any difficulty when answering the questions. Conducting a pilot-test minimises the risk of capturing incorrect data, detects weaknesses in the design, and measures the instrument. In addition, the pilot-study should draw subjects from the target population and initiate the procedures and protocols designed for data collection.

Bless *et al.* (2006), pointed out that the purpose of pilot surveys is to determine the following:

- How long the questionnaire takes to complete
- The clarity of the instructions
- Which, if any, questions are unclear or ambiguous
- Which, if any, questions the respondent is uneasy about answering
- Whether, in their opinion, there are any major topic omissions
- Whether the layout is clear and attractive
- Whether there are any other comments.

As far as the current study is concerned, the pilot-test was conducted by the researcher himself, by distributing the questionnaire to 30 entrepreneurship students and four lecturers at the University of the Western Cape and the Cape Peninsula University of Technology. The researcher visited the universities and communicated with the entrepreneurship lecturers who handed the questionnaire to the students. The respondents of the pilot-test were requested to give their contact number for a follow-up to the survey. The pilot-test revealed that it took approximately 15 to 20 minutes to complete the questionnaire.

According to Saunders *et al.,* (2003), each and every pilot-test questionnaire must be scrutinised individually, and so it was done. For those respondents who chose to complete the questionnaire in a self-administered way, a follow-up was done by sending an email to the lecturers to remind their students to complete the questionnaire.

The pilot-test questionnaire was scrutinised to check whether respondents had experienced any difficulties in interpreting and filling in the questionnaire, and to determine whether instructions had been understood as well as to take note of any criticisms and comments from the respondents. Based on this, a few changes related to the wording and formatting of the questionnaire were made in order to improve the understanding. The feedback of the respondents was also acknowledged.

5.5. RELIABILITY OF QUESTIONNAIRE

Zikmund (2003:300) articulated that there are three major criteria for evaluating measurements: reliability, validity and sensitivity. Reliability is the degree to which measures are free from error and therefore yield consistent results. Validity is the ability of a scale or measuring instrument to measure what it is intended to measure, while sensitivity is a measurement instrument's ability to accurately measure variability in stimuli or responses.

Reliability, according to Sekaran and Bougie (2010), is to consistently obtain the same result when measurements are repeated over and over again. This means that reliability should be a measurement of the accuracy of the instrument in determining whether any differences have arisen out of confusion. The pilot-testing, as well as the questions from a questionnaire that had already been validated in previous research, increased the reliability of the questionnaire for this research study.

In the view of De Vaus (2007) and Sekaran (2003), another method of testing reliability is to address the issue of internal reliability. This is normally done to measure how well a group of questions correlates with a concept of construct. Another method to test reliability is to administer the questionnaire at two or more different times to determine whether there are any significant differences. Such a reliability test was not suitable for the current study which was a once-off study rather than a longitudinal one.

Cronbach's Alpha was used to test for inter-item consistency. According to De Vaus (2007:21), "of the internal consistency measures, Cronbach's Alpha is the most widely used and is the most suitable". He maintained that it examines how a group of variables is related to other groups of variables. Reliabilities in the range of 0.8 and those in the range of 0.7 are still acceptable. The closer the reliability coefficient gets to 1.0, the better. Reliability tests for each of the dimensions are discussed under the data analysis later in this chapter (De Vaus, 2007:22).

5.6. VALIDITY OF THE QUESTIONNAIRE

Validity is the ability of a scale or measuring instrument to measure what it is intended to measure (Zikmund, 2003:302). In the same vein, Hussey and Hussey (1997) pointed out that validity is the extent to which the findings of the research truthfully represent the phenomenon being studied. Researchers should be sure that they are measuring the concept they set out to measure and not something else. Validity tests that can be used to test the validity of the measure are content (face) validity and criterion-related validity (Sekaran & Bougie, 2010).

5.6.1. Content validity

According to Zikmund (2003:302), content validity is a professional agreement that a scale logically and accurately measures what it is intended to measure, or a subjective agreement among professionals that a scale logically appears to reflect accurately what it purports to measure. The content of the scale appears to be adequate.

Content validity is an assessment made by experts in a particular field of study to determine whether the questionnaire includes all the relevant questions, and that nothing important has been omitted and thus prevented the study from reaching its objectives. The current study used content validity by asking entrepreneurship lecturers, as well as expert statisticians – as they were not part of the units of analysis of the study – to give their opinions and criticisms about the instrument. Their

suggestions and comments regarding the wording, the content and the layout were incorporated in the final questionnaire.

5.6.2. Criterion validity

Criterion validity is the ability of the instrument to correlate with other measures of the same construct (Zikmund, 2003:302). As an illustrative example, Zikmund (2003:302) articulated that if a new measure of length is developed, finding out that the new measure correlates with the other measure of length (the criteria) could provide some assurance that the new measure has criterion validity (was valid).

In keeping with this, Bless *et al*. (2006:157-158) stated that if the instrument in question collected data which closely matches the data collected using the criterion measure (which is assumed to be valid), then the researcher may conclude that the new instrument is also valid. This study's instrument was adapted from an already tested and used questionnaire; the data collected was found to be closely matching the data collected using the criterion measure, and allowed the researcher to conclude that the instrument was valid.

5.6.3. Sensitivity of the questionnaire

Sensitivity is the measuring instrument's ability to accurately measure variability in stimuli or responses with a dichotomous response category such as "agree or disagree". It does not allow the recording of subtle attitude changes. A more sensitive measure, with numerous items on the scale, may be needed. For example, adding "strongly agree", "mildly agree", "neither agree nor disagree", "mildly disagree", and "strongly disagree" as categories would increase a scale's sensitivity (Zikmund, 2003:305). The sensitivity of a scale based on a single question or single item can also be increased by adding additional questions or items. The sensitivity of a scale can also be increased by allowing for a greater range of possible scores (Zikmund, 2003:305).

Similarly, Sekaran and Bougie (2010) argued that the choice of scales has an influence on scale reliability, and has to be evenly balanced. Nunnally (1978:521) argued that as the number of scale steps is increased from two to 20, the increase in reliability is very rapid at first. It tends to level off at about the seventh step, and after about the eleventh step, there is little gain in reliability from the increased number of steps. Bearing the above in mind, the current study used a questionnaire with a maximum of five-point scales.

5.7. SOME COMPONENTS OF THE QUESTIONNAIRE

The questionnaire was developed taking into consideration the dimensions and constructs of the research model from which the questions (items) were constructed. The research model comprises the following three dimensions and their respective constructs.

- Social dimension with students' family background, parents' work and education as its constructs
- Cultural dimension with language, religion, customs and traditions as its constructs
- Socio-economic dimension with income, economic development and employment level as its constructs.

Self-efficacy and entrepreneurial intentions, as other dimensions of the study, also formed part of the questionnaire for the current study. Additional components of the questionnaire included the biographical information about the respondents, their personal past experience in entrepreneurship and their relatives' entrepreneurship background.

5.8. POPULATION AND SAMPLE

The people who were the focus of the research and about whom the researcher wanted to determine some characteristics, are referred to as the population. In research, a population could, for example, refer to of all cars assembled at a factory during 1995, all houses in a town, or all

primary school teachers in a country at a specific time (Bless *et al*., 2006:98).

5.9. DETERMINING THE POPULATION

From the beginning of the second semester in the 2013 academic year (mid-July), the researcher made numerous contacts with relevant personalities from the universities that were the units of investigation of the study — in order to find out the total number of students doing the entrepreneurship programme.

Table 5.1: Determination of the population

University	Number of students and level of study		Source of info
	Undergraduate	Postgraduate	
UCT	57	62 MBA	Ms Langenhoven and Dr Herrington respectively
USB	250	40 MBA	Mr G. Solomon and M. Wepener respectively
UWC	170	52 Honours	Mr E. Isaacs and M. Orrie respectively
CPUT	335 for both under and postgraduate		Dr Iwu and N. Arendse
TOTAL	**966**		

5.10. SAMPLING TECHNIQUE

A sample is a subset of the whole population being investigated by a researcher. The characteristics of the sample will be generalised to the entire population. For example, a sample can consist of every tenth car produced in a factory, every fiftieth house in a town, or 100 primary school teachers selected from a list of trade-union members (Bless *et al*., 2006:98).

For the purpose of the current study, all entrepreneurship students were given the opportunity to voluntarily participate in the study. The sample obtained can thus be described as a convenience sample.

5.11. DETERMINATION OF SAMPLE SIZE

In the view of Willemse (2009:194), sample size varies inversely to the internal length: the larger the sample, the shorter the interval length for a given confidence level. If the sample is too large, the extra data collected will be a waste of money and effort, because the same results would have been obtained by a smaller sample. Similarly, if the sample is too small, the resulting conclusions will be uncertain. Willemse (2009:194) affirmed that the correct sample size depends on the following three factors:

1. The level of confidence desired – this as selected by the researcher
2. The variability in the population being studied – so if the population is widely dispersed, a large sample is required, while a small dispersion would require a smaller sample.
3. The maximum allowable error (E) – this is the maximum amount a point estimate should, in the opinion of the researcher, differ above or below the parameter being estimated, i.e. the difference between the sample mean and the population mean.

In a similar vein, and in accordance with The Research Advisors (2006:1), it is possible to use one of the sample calculation formulae to construct a table that suggests the optimal sample size – given a population size, a specific margin of error, and a desired confidence interval. Appendices 3, 4, 5 and 6 present the results of these calculations and they may be used to determine the appropriate sample size for almost any study.

Below is also a formula that, according to Willemse (2009:195), is used when researchers are determining the sample size while estimating the population proportion.

Table 5.2: Formula to determine the sample size	
$N = \frac{\pi\,(1-\pi)}{E^2}\ Z^2$	**Key:** n= size of sample needed π= proportion of the population Z= the critical value associated with the chosen level of confidence E: Margin of error
Source: Willemse (2009:195)	

Similarly, the Researcher Advisors (2006 cited in Krejcie & Morgan, 1970) have also come up with the following formula to be used in the calculation of the sample size.

Table 5.3: Formula for sample calculation
N= (X²*N*P*(1-P))÷(ME²*(N-1))+(X²*P*(1-P))
Where: n= sample size
X²=Chi – Square for the specified confidence level at one degree of freedom
N= Population size
P= Population proportion (.50 in the table above)
ME= Desired margin of error (expressed as proportion)
Source: The Research Advisors (2006:3) and Krejcie and Morgan (1970)

With reference to Appendix 6, many researchers believe that the first column in the table suffices, that is where the Confidence level equals 95% and the Margin of Error equals 5%. To use the table, it is necessary to simply take the size of the table population down the left and choose the sample size in the next column after determining the margin of error that needs to be considered (The Research Advisors, 2006:1).

Krejcie and Morgan (1970) presented the table for determining the sample size from a given population (see Appendices 3 and 4), and formulae (see Appendix 5) for determining needed sample sizes when population size is unknown or known. Similarly, The Research Advisers (2006) provided a table displaying the population sizes, confidence levels, or margins of error (see Appendix 6). An illustrative example is that if you have 2 000 customers and you want to sample a sufficient number to generate a 95% confidence interval and a 2,5% margin error, you would need responses from a sample of 869 of all your customers.

Thus, for the purpose of the current study, the four universities that were the units of investigation had a total of ± 966 entrepreneurship students and students doing programmes involving entrepreneurship modules; and with a 95% confidence level considered, together with a margin error of 5%, a sample of between 260 and 278 was considered sufficient.

Table 5.4: Population and sample

University	Number of students*
UCT	119**
US	290
UWC	222
CPUT	335
Total	**966**
Sample	**270**

*2013 academic year figures.

**This figure from UCT only involves undergraduate students, plus full-time MBA students, but excludes modular students.

5.12. QUESTIONNAIRE DISTRIBUTION, ADMINISTRATION AND COLLECTION

The process of distributing the questionnaires, and having them completed and returned is described in the following paragraphs.

At UCT, the researcher applied for permission to use the students as respondents and in February 2014 that University Ethics Committee granted the permission, after which the data was collected. At the University of Stellenbosch Business School (USB), the researcher got assistance from the staff who distributed the questionnaires to all 40 MBA students. Students completed the questionnaires in self-administered style, and returned them to the administrator, who informed the researcher to collect them. At US main campus, the researcher physically collected data from 82 students after liaising with one of the lecturers. Eighty-one questionnaires were completed.

On 8 October 2013, the researcher sent an email to the lecturer of the entrepreneurship module in the School of Business and Finance at UWC. After scheduling a meeting between the lecturer and the researcher, data collection took place on Wednesday 23 October when a total number of 52 students were in class and all completed the questionnaires.

At CPUT, the process of questionnaire distribution, data collection and questionnaire collection was completed in collaboration with the researcher and four different lecturers from the entrepreneurship department. Their names have been acknowledged in the preliminary pages. They all received, distributed and collected the completed questionnaires from the students. This process lasted about three weeks during October 2013.

5.13. DATA ANALYSIS AND INTERPRETATION

The collected data was coded by means of the Statistical Program for Social Science (SPSS, version 22). The SPSS was utilised to generate the descriptive statistics, as well as correlation statistics. Then descriptive statistics were compiled with the help of Univariate Analysis (frequency tables, pie chart and histograms), while correlation was done by using a combination of factor analysis (Bivariate analysis), analysis of variance (ANOVA) and Chi-square for nominal data (Multivariate analysis).

Formulae for correlation

$$r = \frac{\sum XY - \frac{\sum X \sum Y}{N}}{\sqrt{\left(\sum X^2 - \frac{(\sum X)^2}{N}\right)\left(\sum Y^2 - \frac{(\sum Y)^2}{N}\right)}}$$

Where:

N = Number of values or elements

X = First score (any of the independent variables)

Y = Second score (entrepreneurial or self-efficacy)

ΣXY = Sum of the product of first and second scores

ΣX = Sum of first scores

ΣY=Sum of second scores

ΣX^2 = Sum of square first scores

ΣY^2=Sum of square second scores

Regression formulae:

Regression equation(y) = a + bx

Where:

x and y are the variables.

b = The slope of the regression line

a = The intercept point of the regression line and the y axis

A statistical technique was used to explain or predict the behaviour of a dependent variable. Generally, a regression equation takes the form of Y=a+bx+c, where Y is the dependent variable that the equation tries to predict, X is the independent variable that is being used to predict Y, and a is the Y-intercept of the line. The values of a and b were selected so that the square of the regression residuals was minimised.

Factor analysis was considered as the most suitable statistical technique for this study because of its ability to simplify complex sets of data. The instrument that was utilised for data collection in this study comprised of 13 categories and 81 items. This drove the use of the factor analysis, due to its capacity to discover underlying patterns or relationships in a large number of variances and reduce these variables to a smaller set of factors or new variates (Blaikie, 2003:155).

Furthermore, variables (items) that are generally quite small are unlikely to give rise to sensible common factors (Leong & Austin, 2006:250). Zikmund *et al.* (2010:593) confirmed the researcher's submission as they maintained that factor analysis is a technique that statistically identifies a reduced number of factors from a large number of measured variables. They further posited that factors themselves are not measured, but are identified by forming a variable which uses measured variables.

Factor analysis is the best statistical technique for psychological studies, as well as social sciences (Kline, 1986:1). Zikmund *et al*. (2010:593) ascertained that factor analysis is the best for an exploratory study and, given that the aim of this study was to investigate the students' entrepreneurial intentions and develop a model of it, the choice of factor analysis was again justified.

ANOVA is a general technique that can be used to test the hypothesis that the means between two or more groups are equal, with the assumption that the sampled populations are normally distributed. A chi-square test which is used for nominal data is probably the most widely used nonparametric test of significance, which makes it useful for tests involving nominal data. However it can be used for higher scales as well, in such cases where persons, events or objects are grouped in two or more nominal categories such as "yes-no", or in cases with a choice between A, B, C or D. The technique is used to test for significant differences between the observed distribution of data among categories and the expected distribution, based on the null hypothesis. It should be calculated with

actual counts rather than percentages (Cooper & Schindler, 2003:499). Since the study used both qualitative and quantitative methods, the qualitative methods presented the researcher with a far more comprehensive and meaningful understanding of the respondents' experiences. The respondents provided information about their experiences with regards to how social aspects, cultural and socio-economic values impact on entrepreneurial intentions. Consequently, the analyses assisted with the interpretation of the respondents' practical knowledge and understanding of the concepts under investigation. The researcher compared the findings of primary data with the content of the literature review, a process which is also a component within the ambit of qualitative methods.

5.14. CHAPTER SUMMARY

This chapter focused on the research design and methodology which were adopted to accomplish the research objectives. Firstly, the factors considered during the research process and design were discussed. Secondly, a detailed description of the questionnaire construction was provided, followed by the description of the pilot testing process. Thirdly, the chapter presented how the issues of validity and reliability of the questionnaire were dealt with in order to ensure valid outcomes. The questionnaire administration was also described. Finally, the chapter provided a detailed description of the population and the sample size.

The next chapter presents the results as collected from the respondents (entrepreneurship students from the four universities in the Western Cape).

CHAPTER 6
STATISTICAL DATA PRESENTATION AND ANALYSIS

6.1. INTRODUCTION

> "Statistics give us some tools or techniques for turning raw data into useful information" (Willemse, 2009:25).

While the previous chapter provided information about the objects of the study, how the data was collected, analysed and interpreted, Chapter 6 presents an analysis of the variables investigated. Frequency distribution tables, pie charts and histograms are used to present the data. These statistical analysis methods – specifically descriptive statistics – were used to organise data into simpler accounts and emphasise features of the data that were most relevant to this study. In other words, this method summarises and displays data using tables and graphs so that the salient features of the data set are more easily understood. The content of these tables represents the respondents' responses, views and opinions, based on the questionnaire used as the instrument of the study.

The results are presented and analysed in accordance with the questionnaire designed for the study. Results of each variable are presented either by means of a table, pie chart or histogram, and then followed by an analysis. Zikmund *et al*. (2010:70) posited that data analysis is the application of reasoning to comprehend the collected data. In its simplest form, analysis may involve shaping consistent patterns and summarising the relevant details revealed in the investigation.

6.2. INFERENTIAL STATISTICS USED

For this study, the following inferential statistics were performed on the data:

- *Chi-square tests for nominal data*. Cooper and Schindler (2003:499) posited that chi-square (two sample) tests are probably the most

widely used nonparametric test for significance; which is useful for tests involving nominal data, but chi-square tests can be used for higher scales as well – such cases where persons, objects or events are grouped in two or more categories such as “yes/no” cases, male/female cases, urban/rural or cases of A, B, C, or D choice. This method is used to test the significant differences between the observed distribution of data among categories and the expected distribution based on a null hypothesis. It should be calculated with actual counts rather than percentages.

- *ANOVA*. ANOVA is a general method used to test the hypothesis that the means among two or more groups are equal, under the assumption that the sampled populations are normally distributed.
- *The SPSS*. The SPSS is a Windows-based program that can be used to perform data entry and analysis and to create tables and graphs. SPSS is capable of handling large amounts of data and can perform all of the analyses covered in the text and much more.

The Likert scale was designed as follows:

Strongly disagree was coded as 1	Disagree was coded as 2	Uncertain was coded as 3	Agree was coded as 4	Strongly agree was coded as 5

6.3. SECTION A: PERSONAL DETAILS

This section presents an analysis of data collected from the respondents of the study, i.e. entrepreneurship students from CPUT, UCT, UWC and US. Sub-headings under this section include: age category, gender, race, religion, residential area (whether it is urban, metro or rural) and study level.

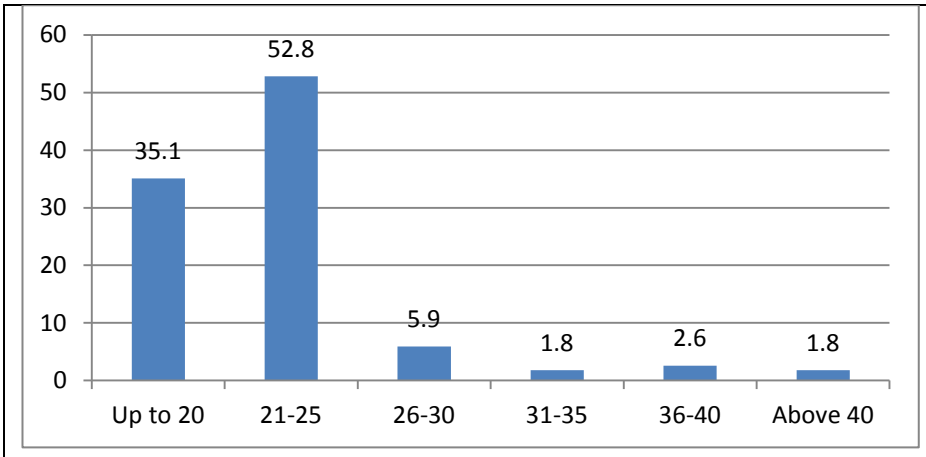

Figure 6.1: Age group of respondents (bar chart)

As displayed in Figure 6.1, the majority of the student respondents fell under the age category of 21-25 (52.8%), followed by the category of up to 20 (35.1%). Both groups represented an overwhelming majority of 87.9% of the respondents. This finding is justified by the fact that the student respondents were both undergraduate and postgraduate, and all postgraduate students such as those who took their studies on a part-time basis, or those who failed some subjects, were also deemed to be above 20 years of age. Furthermore, the average age of starting university studies in South Africa is 18, and since the study involved few Master's students, it is therefore understandable that most of the undergraduate students were under 25 years of age.

As mentioned in Chapter 2, government is creating agencies and institutions to support entrepreneurship. Hence, it is also encouraging to see a good number of young people responding to this call, by undertaking entrepreneurship programmes in a country that is in such need of boosting the entrepreneurial spirit among its citizens. Furthermore, Co and Mitchell (2006:349) suggested that HLIs can help create a more entrepreneurial disposition among young people by:

- instilling a clear understanding of risks and rewards
- teaching opportunity seeking and recognition skills
- creating enterprises
- developing entrepreneurial traits in students – this finding is in line with this study.

Providing access to entrepreneurship education is especially important in fuelling the pipeline of aspiring entrepreneurs, because of the strong role education plays in raising their levels of self-efficacy, and ultimately their interest in starting their own venture (Wilson *et al*., 2007:14).

Table 6.1: Gender of respondents

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Male	116	42.3	42.6	42.6
	Female	156	56.9	57.4	100.0
	Total	272	99.3	100.0	
Missing	System	2	.7		
Total		274	100.0		

As reflected in Table 6.1, a significant percentage of 56.9 of the respondents were female while 42.3 percent were male. Two of the respondents (0.7%) did not indicate their gender. The first justification of this finding is that in South Africa, as in many other parts of the world, the number of females outdoes that of their male counterparts. It is therefore not surprising to find this gender imbalance in South African institutions of higher learning. At the same time, this finding responds to the calls of government and other stakeholders, such as organisations for human rights and organisations for women empowerment and emancipation, to enrol a larger number of females at universities.

With such a finding about a higher number of women undertaking entrepreneurship studies, there is hope that the future of women entrepreneurs in South Africa looks even brighter.

Table 6.2: Racial group					
		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	African	127	46.4	46.9	46.9
	Chinese	1	.4	.4	47.2
	Coloured	44	16.1	16.2	63.5
	Indian	4	1.5	1.5	64.9
	White	94	34.3	34.7	99.6
	Other	1	0.4	0.4	100.0
	Total	271	98.9	100.0	
Missing	System	3	1.1		
Total		274	100.0		

Table 6.2 provides an interesting picture concerning the racial groups of the study participants. Almost half of them (46.4%) belonged to the African racial group while the White racial group came in second position with 34.3%. Coloureds were represented at 16.1% while Indian participants comprised 1.5%. The group designated as “other” scored 0.4% (1 respondent) and the same score applied to the Chinese group. This finding, though it does not represent the demographic characteristics of the South African society, reflects the real situation that Blacks (Africans) are the majority (79.2%), followed by both Whites and Coloureds amounting to 8.9% each, Indians/Asians at 2.5% while the group designated as “other” comprised 0.5% (Statistics SA, 2011:17). Given this statistical information, it is therefore not surprising that the same trend would be reflected in South African learning institutions of all levels.

Traditionally, Whites, who represented a percentage of 34.3 in the study, were the dominant racial group in undertaking entrepreneurial activity. Though it is still the case today, it is also encouraging to see other races such as Coloureds represented in entrepreneurial courses beyond their real national statistical figures. On the other hand, the finding that Blacks, who constitute the majority of the country’s population, are more interested

in entrepreneurship programmes indicates that the entrepreneurial spirit is gaining momentum in South Africa.

Table 6.3: Religion

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Animist	2	.7	.7	.7
	Buddhist	2	.7	.7	1.5
	Hindu	1	.4	.4	1.9
	Muslim	12	4.4	4.5	6.4
	Rastafari	1	.4	.4	6.7
	Agnostic	15	5.5	5.6	12.4
	Christian	226	82.5	84.6	97.0
	Judaist	5	1.8	1.9	98.9
	Other	3	1.1	1.1	100.0
	Total	267	97.4	100.0	
Missing	System	7	2.6		
Total		274	100.0		

Table 6.3 reflects that the majority of the students who participated in the study were Christians (82.5%); followed by the agnostic (non-believer) group (5.5%), then the Muslim group (4.4%). This finding also correlates positively with South African religious statistics where in the 2011 census: Christians were counted to be 79.8%, followed by non-believers (15.1%), then Muslims at 1.5% (Statistics South Africa, 2011).

Table 6.4: Longest period of stay in residential area

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Big City	209	76.3	77.1	77.1
	Rural	26	9.5	9.6	86.7
	Metro	36	13.1	13.3	100.0
	Total	271	98.9	100.0	
Missing	System	3	1.1		
Total		274	100.0		

Table 6.4 indicates that the majority of respondents (76.3%) have mostly lived in big cities such as Cape Town and Port Elizabeth, and Metros (small cities such as Grahamstown, Upington) scored the second highest (13.1%), followed by rural areas (9.5%). This suggests that many students who are following entrepreneurship programmes at the four universities in the Western Cape are from cities and metros.

This finding correlates with the fact that the four universities that constituted the object of the study are all situated in the large city of Cape Town. One can therefore see that a large number of the universities' students came from the same city. However, the study did not ask the respondents where they intend to live after completing their studies, thereby getting an indication of where they will be opening up their enterprises, if they intend to. This question was simply for identification purposes.

Table 6.5: Current level of study

		Frequency	Percent	Valid percent	Cumulative percent
Valid	1st year	76	27.7	27.8	27.8
	2nd year	90	32.8	33.0	60.8
	3rd year	51	18.6	18.7	79.5
	Postgraduate	42	15.3	15.4	94.9
	Masters	13	4.7	4.8	99.6
	PhD	1	.4	.4	100.0
	Total	273	99.6	100.0	
Missing	System	1	.4		
Total		274	100.0		

Table 6.5 shows that the majority of the study's respondents (32.8%) were students in their second year, followed by the students in their first year (27.7%), followed by third year students (18.6%), and then post-graduate (Honours, B. Tech, Post-graduate diploma) students (15.3%). Thirteen

(4.7%) of the respondents were Master's students while one student (.4%) was a PhD student.

Though the researcher's attempt to collect data from UCT-MBA students did not materialise, there is a clear indication that there are very few postgraduate students in entrepreneurship. This raises the question of whether, after completing their undergraduate qualifications (as designated above), students go and found their business enterprises, or whether they change their study programme. On the other hand, there is the possibility that some of those universities do not have specific Master's and PhD programmes to give the student the option to continue in the same field. Future researches should shed more light in this regard.

6.4. SECTION B: PAST EXPERIENCE OF THE RESPONDENTS

This section seeks to understand whether the respondents had experience in any business field/s. The section seeks answers to questions related to running one's own business, marketing, sales and the size of organisation they might have worked in.

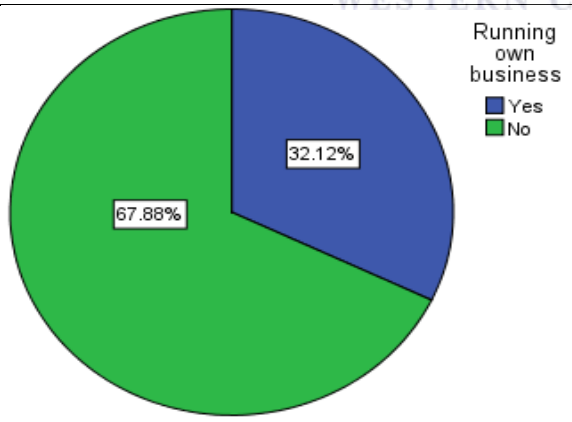

Figure 6.2: Experience of running one's own business

Figure 6.2 provides useful information about some of the study respondents having already had experience in running their own businesses. Out of 70.4% of those who answered the question, 32.1%

confirmed that they had experience in running their own businesses, while 67.9% did not have such experience.

It is encouraging to find that some business people do attend entrepreneurship studies in order to increase their theoretical knowledge, which validates and gives credit to the programme. Furthermore, the presence of some students who possess some practical experience in running businesses stimulates and enriches discussions during class lectures. However, 29.6% of the respondents did not provide answers to the question.

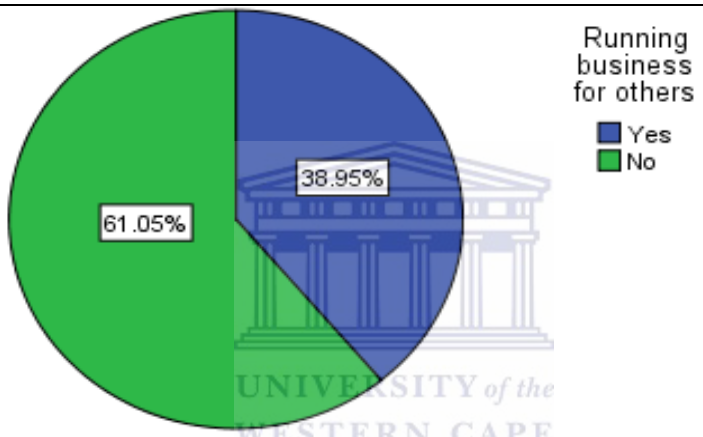

Figure 6.3: Running a business for others

Figure 6.3 indicates that 39% of the respondents had experience in running a business that belonged to other people, while 61% did not have such experience. Regardless of the percentage, the presence of any number of entrepreneurship students with experience in business is a good indication that the future of entrepreneurship in South Africa looks bright. However, 30.7% of the respondents did not provide an answer to the question.

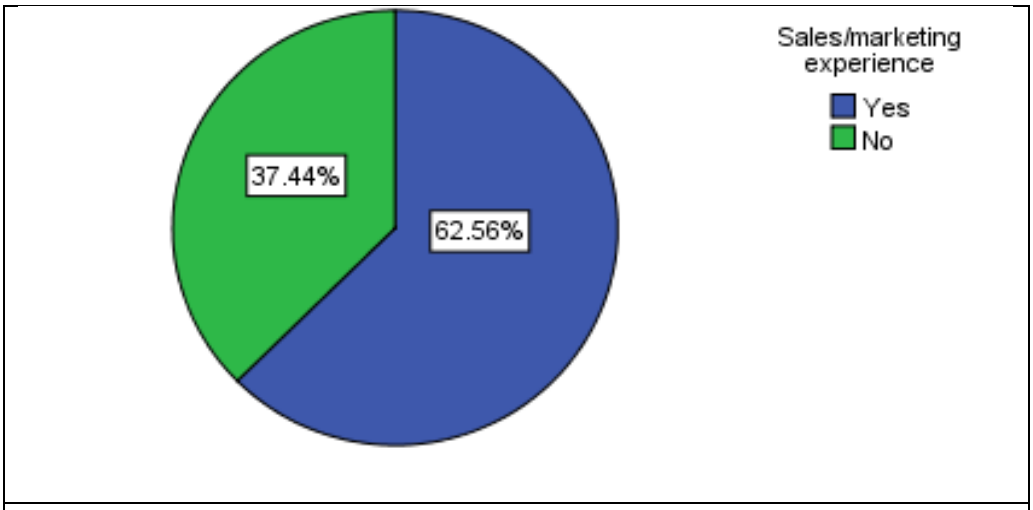

Figure 6.4: Experience in sales/marketing

Figure 6.4 above reflects that a huge majority of 62.6% of the respondents had experience in sales/marketing while 37.4% did not have such experience. However, 20.1% of the respondents did not provide answers to this question. A good number of respondents who did not provide answers to some of the questions were first year students, most of them had just come from high school straight to university, and perhaps did not find the question relevant to them.

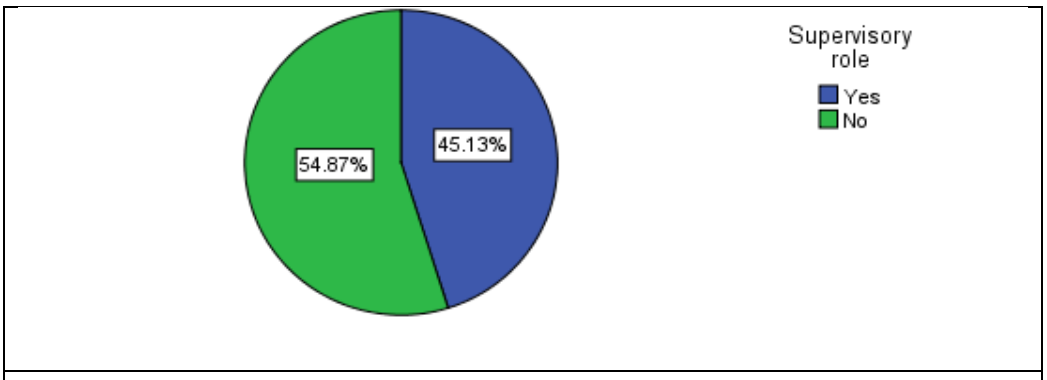

Figure 6.5: Experience as a supervisor

Figure 6.5 above demonstrates that 45.1% of the respondents possessed experience as supervisors, while 54.9% did not have such experience. A significant number of respondents (28.8%) did not answer to the question.

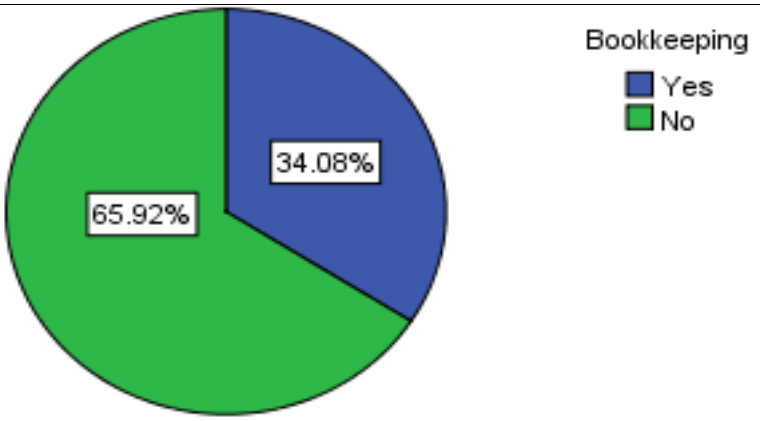

Figure 6.6: Experience in bookkeeping

The study also provided a question to whether respondents possessed experience in the bookkeeping field. As reflected on Figure 6.6, 34% indicated that they had such experience, while 66% did not. However, a significant number of respondents (34.7%) did not answer the question.

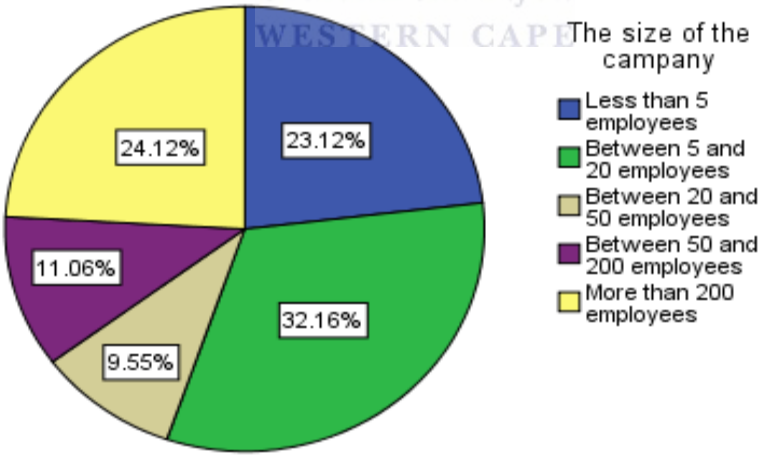

Figure 6.7: The size of the company respondents have worked for

Figure 6.7 above indicates that of the respondents who had worked, 32.1% had worked for an organisation that had between five and 20 employees, followed by 24.1% who had worked at a company with more than 200 employees, and 23.1% at a company of less than five employees. There were a significant number of respondents (27.4%) who

did not answer the question, and the assumption is that these are students who had never worked before attending university.

6.5. SECTION C: FAMILY BACKGROUND

This section illustrates the level of education, as well as the occupation of the respondents' parents or guardians, simply for identification purposes. It is believed that family background plays a key role in shaping the future of the children in the family, and Zirpoli (2014) affirmed that no variable regarding the well-being and overall social behaviour is more important that the environment in which children develop and grow. Parents' level of education and their profession can have a significant impact on the entrepreneurial behaviour of their children.

Figure 6.8 below indicates that 40% of the respondents' fathers had tertiary education, followed by the group of fathers who had high school education (33.6%). After that there was a group of respondents whose fathers had attended college as their highest level of education (16.8%). There was also the possibility of many students who grew up in fatherless families, and therefore do not know their fathers' education level.

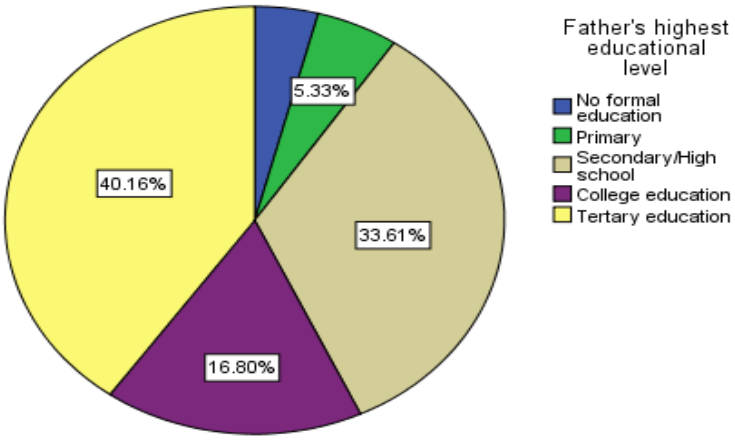

Figure 6.8: Father's highest educational level

Table 6.6: Mother's highest educational level					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	No formal education	2	.7	.8	.8
	Primary	14	5.1	5.4	6.2
	Secondary/High school	100	36.5	38.9	45.1
	College education	49	17.9	19.1	64.2
	Tertiary education	92	33.6	35.8	100.0
	Total	257	93.8	100.0	
Missing	System	17	6.2		
Total		274	100.0		

Table 6.6 above demonstrates that the respondents' mothers were predominantly high school education holders (36.5%), followed by the tertiary education group (33.6%). The respondents' mothers with college education made up 17.9%of the group, while 5.1% possessed primary education. However, 6.2% of the respondents did not indicate their mothers' education level.

Table 6.7: Father's occupation					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Professional: Own Business	72	26.3	31.7	31.7
	Professional: Salaried	102	37.2	44.9	76.7
	Skilled worker	24	8.8	10.6	87.2
	Unskilled worker	11	4.0	4.8	92.1
	Unemployed	9	3.3	4.0	96.0
	Retiree	9	3.3	4.0	100.0
	Total	227	82.8	100.0	
Missing	System	47	17.2		
Total		274	100.0		

The study also wanted to discover the occupations of the respondents' fathers. The finding was that 37.2% of the respondents' fathers were salaried professionals, while 26.3% of those fathers were professional business owners. Combining both percentages shows that a significant number of the students' (63.5%) fathers were professionals – this reflects the importance of entrepreneurship and business for the people's lives and the country's economic growth.

Table 6.8: Mother's occupation					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Professional: Own Business	42	15.3	18.1	18.1
	Professional: Salaried	115	42.0	49.6	67.7
	Skilled worker	20	7.3	8.6	76.3
	Unskilled worker	22	8.0	9.5	85.8
	Unemployed	23	8.4	9.9	95.7
	Retiree	7	2.6	3.0	98.7
	Other	3	1.1	1.3	100.0
	Total	232	84.7	100.0	
Missing	System	42	15.3		
Total		274	100.0		

Table 6.8 above shows that 42.0% of the respondents' mothers were salaried professionals while 15.3% of the respondents' mothers were professionals owning their own businesses. The combination of both amounts to 57.3% of the respondents whose mothers were professionals by either working or running their own businesses. However, 15.3% of the respondents did not provide an answer to the question.

6.6. SECTION D: ENTREPRENEURSHIP IN THE FAMILY

In this section, data was collected to find out whether any of the parents, family members or acquaintances were entrepreneurs.

Table 6.9: My father is an entrepreneur

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	93	33.9	39.7	39.7
	No	141	51.5	60.3	100.0
	Total	234	85.4	100.0	
Missing	System	40	14.6		
Total		274	100.0		

According to Table 6.9 above, 33.9% of the respondents indicated that their fathers were entrepreneurs, while 51.5% of the respondents' fathers were not. A percentage of 14.6 did not answer the question.

Table 6.10: My mother is an entrepreneur

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	75	27.4	32.6	32.6
	No	155	56.6	67.4	100.0
	Total	230	83.9	100.0	
Missing	System	44	16.1		
Total		274	100.0		

Table 6.10 above indicates that 27.4% of the respondents' mothers were entrepreneurs, while 56.6% of their mothers were not. However, 16.1% of the respondents did not provide an answer the question.

Table 6.11: There are other entrepreneurs in my family					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	139	50.7	61.2	61.2
	No	88	32.1	38.8	100.0
	Total	227	82.8	100.0	
Missing	System	47	17.2		
Total		274	100.0		

As indicated in Table 6.11 above, 50.7% of the respondents confirmed that there were entrepreneurs in their families, while 32.1% of the respondents did not have entrepreneurs in their families.

Table 6.12: I have friends /acquaintances who are entrepreneurs					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	149	54.4	65.9	65.9
	No	77	28.1	34.1	100.0
	Total	226	82.5	100.0	
Missing	System	48	17.5		
Total		274	100.0		

Table 6.12 above indicates that 54.4% of the respondents had friends or acquaintances who were entrepreneurs, while 28.1% of the respondents did not. However, 17.5% of the respondents did not provide answers to the question.

6.7. SECTION E: SOCIAL VALUES

In this section, the data presented and analysed is about the effect of parents'/guardian's occupation and education on the entrepreneurial intentions of their children.

6.7.1. Parents' occupation

Table 6.13: I often observe my parents/guardians performing their work					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	29	10.6	11.0	11.0
	Disagree	26	9.5	9.9	20.9
	Neutral	52	19.0	19.8	40.7
	Agree	88	32.1	33.5	74.1
	Strongly Agree	68	24.8	25.9	100.0
	Total	263	96.0	100.0	
Missing	System	11	4.0		
Total		274	100.0		

To the question of knowing whether respondents observe their parents'/guardians performing their work, 56.9% of the respondents agreed, while 20.1% disagreed. A significant number of respondents (19.0%) were neutral while 4% of the respondents did not answer the question.

Table 6.14: I believe in the importance of the role models in my society					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	16	5.8	6.0	6.0
	Disagree	13	4.7	4.9	10.9
	Neutral	18	6.6	6.7	17.6
	Agree	83	30.3	31.1	48.7
	Strongly Agree	137	50.0	51.3	100.0
	Total	267	97.4	100.0	
Missing	System	7	2.6		
Total		274	100.0		

According to Table 6.14 above, an overwhelming majority of 80.3% of the respondents agreed with the importance of role models in their society, while 10.5% of the respondents disagreed about the importance of the role models in their society.

Table 6.15: I regard my parents/guardians as my role models

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	13	4.7	4.9	4.9
	Disagree	14	5.1	5.2	10.1
	Neutral	28	10.2	10.5	20.6
	Agree	69	25.2	25.8	46.4
	Strongly Agree	143	52.2	53.6	100.0
	Total	267	97.4	100.0	
Missing	System	7	2.6		
Total		274	100.0		

As reflected in Table 6.15 above, more than half (77.4%) of the respondents agreed that they regarded their parents/guardians as their role models, while 9.8% disagreed that they regarded their parents/guardians as their role models.

Table 6.16: I regard other family members as my role models

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	24	8.8	9.0	9.0
	Disagree	34	12.4	12.8	21.8
	Neutral	52	19.0	19.5	41.4
	Agree	93	33.9	35.0	76.3
	Strongly Agree	63	23.0	23.7	100.0
	Total	266	97.1	100.0	
Missing	System	8	2.9		
Total		274	100.0		

As shown in Table 6.16 above, 56.9% of the respondents agreed that they regard other family members as their role models, while 21.2% disagreed to that effect.

Table 6.17: I aspire to practise the same professions as my parents

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	83	30.3	32.0	32.0
	Disagree	49	17.9	18.9	51.0
	Neutral	53	19.3	20.5	71.4
	Agree	43	15.7	16.6	88.0
	Strongly Agree	31	11.3	12.0	100.0
	Total	259	94.5	100.0	
Missing	System	15	5.5		
Total		274	100.0		

According to Table 6.17 above, 48.2% of the respondents disagreed that they aspired to exercise the same professions as their parents, while 27% of them agreed. However, 15 respondents (5.5%) did not answer the question.

Table 6.18: I regard my parents/guardians' work as honorific

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	36	13.1	14.3	14.3
	Disagree	25	9.1	9.9	24.2
	Neutral	73	26.6	29.0	53.2
	Agree	62	22.6	24.6	77.8
	Strongly Agree	56	20.4	22.2	100.0
	Total	252	92.0	100.0	
Missing	System	22	8.0		
Total		274	100.0		

Table 6.18 above reveals that 43% of the respondents agreed about their parents/guardians' work being honorific, while 22.2% of them disagreed about this. However, 8% of the respondents did not respond to the question.

Table 6.19: I believe that my parents/guardians' work has made them financially stable

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	22	8.0	8.3	8.3
	Disagree	16	5.8	6.0	14.3
	Neutral	45	16.4	17.0	31.3
	Agree	74	27.0	27.9	59.2
	Strongly Agree	108	39.4	40.8	100.0
	Total	265	96.7	100.0	
Missing	System	9	3.3		
Total		274	100.0		

According to Table 6.19 above, 66.4% of the respondents agreed that their parents/guardians' work had made them financially stable, while 13.8% of the respondents disagreed with that fact.

Table 6.20: I aspire to achieve the same financial successes as my parents/guardians

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	62	22.6	23.3	23.3
	Disagree	38	13.9	14.3	37.6
	Neutral	27	9.9	10.2	47.7
	Agree	49	17.9	18.4	66.2
	Strongly Agree	90	32.8	33.8	100.0
	Total	266	97.1	100.0	
Missing	System	8	2.9		
Total		274	100.0		

As reflected in Table 6.20 above, 50.7% of the respondents agreed that they aspired to achieve the same financial successes as their parents/guardians, while 36.5% of the respondents disagreed that they aspired to achieve the same financial successes as their parents/guardians. The fact that 36.5% of students did not want to achieve the same financial successes as their parents is an encouraging finding, and implies that their ambitions were to do better, certainly by going into self-employment.

6.7.2. Parents'/guardians' education variable

Table 6.21: My parents/guardians are educated (post-matric)

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	50	18.2	18.7	18.7
	Disagree	14	5.1	5.2	24.0
	Neutral	26	9.5	9.7	33.7
	Agree	64	23.4	24.0	57.7
	Strongly Agree	113	41.2	42.3	100.0
	Total	267	97.4	100.0	
Missing	System	7	2.6		
Total		274	100.0		

Table 6.21 above demonstrates that a significant percentage of 64.6% of the respondents agreed that their parents had a post-matric qualification, while 23.3% of the respondents disagreed to that fact.

Table 6.22: Parents'/guardians' education inspires their children					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	21	7.7	7.8	7.8
	Disagree	26	9.5	9.7	17.5
	Neutral	31	11.3	11.6	29.1
	Agree	63	23.0	23.5	52.6
	Strongly Agree	127	46.4	47.4	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

According to Table 6.22 above, 69.4% of the respondents agreed that their parents'/guardians' education inspires their children, while a small percentage of 17.2 of the respondents disagreed to the fact that parents' education inspires their children.

Table 6.23: My parents/guardians understand the importance of education					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	15	5.5	5.6	5.6
	Disagree	1	.4	.4	6.0
	Neutral	8	2.9	3.0	9.0
	Agree	27	9.9	10.1	19.0
	Strongly Agree	217	79.2	81.0	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

Table 6.23 above shows that 89.1% of the respondents agreed that their parents/guardians understood the importance of education. However, a small number of the respondents (5.9%), confirmed they strongly disagreed that their parents/guardians understood the importance of education.

Table 6.24: My parents/guardians always encourage me to improve my education

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	17	6.2	6.3	6.3
	Disagree	3	1.1	1.1	7.4
	Neutral	7	2.6	2.6	10.0
	Agree	31	11.3	11.5	21.6
	Strongly Agree	211	77.0	78.4	100.0
	Total	269	98.2	100.0	
Missing	System	5	1.8		
Total		274	100.0		

Table 6.24 above shows that 88.3% of the respondents agreed that their parents/guardians always encouraged them to improve their qualifications. However, a percentage of 7.3 of the respondents disagreed that their parents/guardians encouraged them to improve their qualifications.

Table 6.25: My parents'/guardians' education is an inspiration to me					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	30	10.9	11.2	11.2
	Disagree	27	9.9	10.1	21.3
	Neutral	37	13.5	13.8	35.1
	Agree	61	22.3	22.8	57.8
	Strongly Agree	113	41.2	42.2	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

Table 6.25 above displays that 63.5% of the respondents agreed that their parents'/guardians' education was an inspiration to them. Only 20.8% of them disagreed that their parents'/guardians' education was an inspiration to them.

Table 6.26: I aspire to have education as my parents/guardians did					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	49	17.9	18.3	18.3
	Disagree	28	10.2	10.4	28.7
	Neutral	43	15.7	16.0	44.8
	Agree	47	17.2	17.5	62.3
	Strongly Agree	101	36.9	37.7	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

According to Table 6.26 above, 54.1% of the respondents agreed that they aspired to have education as their parents/guardians did, while 28.1% of the respondents disagreed that they aspired to have education as their parents/guardians did.

Table 6.27: My parents'/guardians' success is owed to education					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	48	17.5	17.8	17.8
	Disagree	30	10.9	11.2	29.0
	Neutral	54	19.7	20.1	49.1
	Agree	60	21.9	22.3	71.4
	Strongly Agree	77	28.1	28.6	100.0
	Total	269	98.2	100.0	
Missing	System	5	1.8		
Total		274	100.0		

As displayed in Table 6.27 above, exactly half of the respondents (50%) agreed that their parents'/guardians' success was owed to education, while 28.4% of the respondents disagreed about this fact.

6.8. SECTION F: CULTURAL VALUES

In this section, data is presented and analysed under the following sub-headings: effect of language, religion and customs and beliefs on the students' entrepreneurial intentions.

Table 6.28: Poor language skill is an obstacle to the entrepreneurship					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	18	6.6	6.7	6.7
	Disagree	25	9.1	9.3	16.0
	Neutral	43	15.7	16.0	32.1
	Agree	92	33.6	34.3	66.4
	Strongly Agree	90	32.8	33.6	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

Table 6.28 above demonstrates that 66.4% of the respondents agreed that poor language skill is an obstacle to entrepreneurship, while about 16% (15.7) of the respondents disagreed. However, 15.7% of the respondents were neutral about the question.

Table 6.29: The language we speak at home is the same as the language we use at school

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	64	23.4	23.9	23.9
	Disagree	54	19.7	20.1	44.0
	Neutral	19	6.9	7.1	51.1
	Agree	50	18.2	18.7	69.8
	Strongly Agree	81	29.6	30.2	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

According to Table 6.29 above, 47.8% of the respondents agreed that the language they speak at home is the same as the language they used at school. However, 43.1% of the respondents disagreed that the language they speak at home is different from the language they used at school.

Table 6.30: There is sufficient entrepreneurship information available in my home language					
		Frequency	**Percent**	**Valid percent**	**Cumulative percent**
Valid	Strongly Disagree	34	12.4	12.7	12.7
	Disagree	33	12.0	12.4	25.1
	Neutral	62	22.6	23.2	48.3
	Agree	44	16.1	16.5	64.8
	Strongly Agree	94	34.3	35.2	100.0
	Total	267	97.4	100.0	
Missing	System	7	2.6		
Total		274	100.0		

Table 6.30 above demonstrates that 50.4 percent of the respondents agreed that there is sufficient entrepreneurship information available in their home language, while 24.4 percent of the respondents disagreed about the availability of sufficient entrepreneurship information in their home language. However, 22.6% of the respondents were neutral about the question.

Table 6.31: There are many people who speak my home language who are entrepreneurs					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	16	5.8	6.0	6.0
	Disagree	15	5.5	5.6	11.6
	Neutral	25	9.1	9.3	20.9
	Agree	76	27.7	28.4	49.3
	Strongly Agree	136	49.6	50.7	100.0
	Total	268	97.8	100.0	
Missing	System	6	2.2		
Total		274	100.0		

Table 6.31 above displays that the majority (77.3%) of the respondents agreed that there are many people who speak their home language and who are entrepreneurs. However, 11.3% of the respondents disagreed that there are many people who speak their home language that are entrepreneurs.

Table 6.32: Understanding of the language facilitates social and economic integration and productivity					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	7	2.6	2.6	2.6
	Disagree	7	2.6	2.6	5.3
	Neutral	43	15.7	16.2	21.5
	Agree	95	34.7	35.8	57.4
	Strongly Agree	113	41.2	42.6	100.0
	Total	265	96.7	100.0	
Missing	System	9	3.3		
Total		274	100.0		

Table 6.32 above demonstrates that the majority (75.9%) of the respondents agreed that understanding of the language facilitates social and economic integration and productivity, while 5.2% of the respondents disagreed about that fact. However, 15.7% of the respondents were neutral about the question.

Table 6.33: The stronger the communication skills of the entrepreneur, the more confident they will be

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	7	2.6	2.6	2.6
	Disagree	5	1.8	1.9	4.5
	Neutral	13	4.7	4.9	9.4
	Agree	73	26.6	27.4	36.8
	Strongly Agree	168	61.3	63.2	100.0
	Total	266	97.1	100.0	
Missing	System	8	2.9		
Total		274	100.0		

Table 6.33 above shows that the overwhelming majority (87.9%) of the respondents agreed that the stronger the communication skills of the entrepreneur, the more confident they will be.

Table 6.34: The stronger the communication skills of the entrepreneur, the easier it becomes to penetrate the mainstream market successfully

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	6	2.2	2.2	2.2
	Disagree	7	2.6	2.6	4.9
	Neutral	27	9.9	10.1	15.0
	Agree	91	33.2	34.1	49.1
	Strongly Agree	136	49.6	50.9	100.0
	Total	267	97.4	100.0	
Missing	System	7	2.6		
Total		274	100.0		

Table 6.34 above shows that 82.8% of the respondents agreed that the stronger the communication skill of the entrepreneur the easier it becomes to penetrate the mainstream market successfully, while a small percentage of 4.8 of the respondents disagreed about that fact.

6.8.1. Religion variable

Table 6.35: Religion is the main instrument to shape all the norms in my society

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	44	16.1	16.5	16.5
	Disagree	43	15.7	16.2	32.7
	Neutral	50	18.2	18.8	51.5
	Agree	79	28.8	29.7	81.2
	Strongly Agree	50	18.2	18.8	100.0
	Total	266	97.1	100.0	
Missing	System	8	2.9		
Total		274	100.0		

Table 6.35 above demonstrates that 47% of the respondents agreed that religion is the main instrument that shapes all the norms in their society, while 31.8% of the respondents disagreed with that fact.

Table 6.36: Religion is a barrier to the business initiatives in my society

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	60	21.9	22.6	22.6
	Disagree	70	25.5	26.3	48.9
	Neutral	81	29.6	30.5	79.3
	Agree	37	13.5	13.9	93.2
	Strongly Agree	18	6.6	6.8	100.0
	Total	266	97.1	100.0	
Missing	System	8	2.9		
Total		274	100.0		

Table 6.36 above demonstrates that 47.4% of the respondents disagreed about their religion being a barrier to the business initiatives in their society, while only 20.1% of the respondents agreed to that fact. However, 29.6% of the respondents were neutral about the question.

Table 6.37: Religion is a barrier to the business growth in my society

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	73	26.6	27.7	27.7
	Disagree	72	26.3	27.3	54.9
	Neutral	72	26.3	27.3	82.2
	Agree	32	11.7	12.1	94.3
	Strongly Agree	15	5.5	5.7	100.0
	Total	264	96.4	100.0	
Missing	System	10	3.6		
Total		274	100.0		

According to Table 6.37 above, 52.9% of the respondents disagreed that religion is a barrier to the business growth in their society, 17.2% agreed, while 26.3% of them were neutral about the question of religion being a barrier to the business growth in their society.

Table 6.38: Religion constitutes a barrier to capital access in my society

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	74	27.0	28.2	28.2
	Disagree	84	30.7	32.1	60.3
	Neutral	61	22.3	23.3	83.6
	Agree	24	8.8	9.2	92.7
	Strongly Agree	19	6.9	7.3	100.0
	Total	262	95.6	100.0	
Missing	System	12	4.4		
Total		274	100.0		

Table 6.38 above demonstrates that 57.7% of the respondents disagreed that religion constitutes a barrier to capital access in their society, 15.7% agreed, while 22.3% of the respondents were neutral.

Table 6.39: My religion allows me to perform entrepreneurial activity

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	36	13.1	13.7	13.7
	Disagree	17	6.2	6.5	20.2
	Neutral	46	16.8	17.6	37.8
	Agree	59	21.5	22.5	60.3
	Strongly Agree	104	38.0	39.7	100.0
	Total	262	95.6	100.0	
Missing	System	12	4.4		
Total		274	100.0		

According to Table 6.39 above, 59.5% of the respondents agreed that their religion allows them to perform entrepreneurial activity, while 19.3% of the respondents disagreed to the fact. However, 16.8% of the respondents were neutral.

6.8.2. Customs and traditions variable

Table 6.40: Our family beliefs have helped some family members to become entrepreneurs

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	66	24.1	25.4	25.4
	Disagree	33	12.0	12.7	38.1
	Neutral	80	29.2	30.8	68.8
	Agree	46	16.8	17.7	86.5
	Strongly Agree	35	12.8	13.5	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

As displayed in Table 6.40 above, 29.2% of the study respondents were neutral about their families' beliefs having helped some of their family members to become entrepreneurs, while 36.1% disagreed with the fact. Only 29.6% of the respondents agreed that their family beliefs have helped some of their family members to become entrepreneurs.

Table 6.41: Our family beliefs facilitate business networking

		Frequency	Per cent	Valid per cent	Cumulative per cent
Valid	Strongly Disagree	37	13.5	14.2	14.2
	Disagree	27	9.9	10.3	24.5
	Neutral	80	29.2	30.7	55.2
	Agree	74	27.0	28.4	83.5
	Strongly Agree	43	15.7	16.5	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.41 above demonstrates that 42.7% of the respondents agreed about their family beliefs facilitating business networking while 29.2 % of the respondents were neutral about that fact. However, 23.4% of them disagreed.

Table 6.42: In our customs and traditions, we learn about life skills such as self-reliance

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	10	3.6	3.8	3.8
	Disagree	17	6.2	6.4	10.2
	Neutral	21	7.7	8.0	18.2
	Agree	123	44.9	46.6	64.8
	Strongly Agree	93	33.9	35.2	100.0
	Total	264	96.4	100.0	
Missing	System	10	3.6		
Total		274	100.0		

According to Table 6.42, a huge majority of 78.8% of the respondents agreed to the question of whether they learn about life skills such as self-reliance.

Table 6.43: In our customs and traditions, we learn about entrepreneurial skills

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	19	6.9	7.1	7.1
	Disagree	25	9.1	9.4	16.5
	Neutral	85	31.0	32.0	48.5
	Agree	92	33.6	34.6	83.1
	Strongly Agree	45	16.4	16.9	100.0
	Total	266	97.1	100.0	
Missing	System	8	2.9		
Total		274	100.0		

From the above table, it is clear that exactly half of the respondents (50%) supported the statement that in their customs and traditions, they learn about entrepreneurial skills, while 16.0% disagreed with the statement.

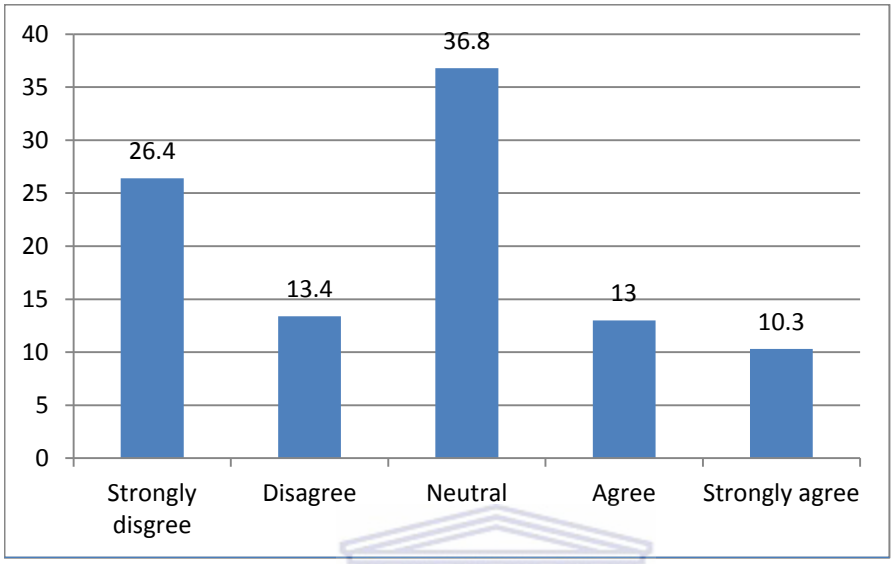

Figure 6.9: In our custom and tradition we exercise entrepreneurship behaviour

According to Figure 6.9 above, just more than half (39.8%) of the respondents disagreed that in their customs and traditions, entrepreneurial behaviour is exercised, while 23.3% agreed. However, 36.8% of the respondents were neutral about the statement, while 3.6% did not answer to the question.

Table 6.44: In our tradition, we like to implement our own ideas					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	10	3.6	3.8	3.8
	Disagree	19	6.9	7.2	11.0
	Neutral	50	18.2	19.0	30.0
	Agree	117	42.7	44.5	74.5
	Strongly Agree	67	24.5	25.5	100.0
	Total	263	96.0	100.0	
Missing	System	11	4.0		
Total		274	100.0		

Table 6.44 above shows that 67.2% of the respondents agreed that in their traditions they liked to implement their own ideas, while 10.5% disagreed with the statement. However, 18.2% of the respondents were neutral about the statement.

Table 6.45: In my tradition, women are still excluded from important economic positions					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	99	36.1	37.6	37.6
	Disagree	46	16.8	17.5	55.1
	Neutral	58	21.2	22.1	77.2
	Agree	44	16.1	16.7	93.9
	Strongly Agree	16	5.8	6.1	100.0
	Total	263	96.0	100.0	
Missing	System	11	4.0		
Total		274	100.0		

From Table 6.45 above, it is clear that the majority of the respondents (52.9%) disagreed with the statement that in their tradition, women are still excluded from important economic positions, while 21.9% agreed with the statement.

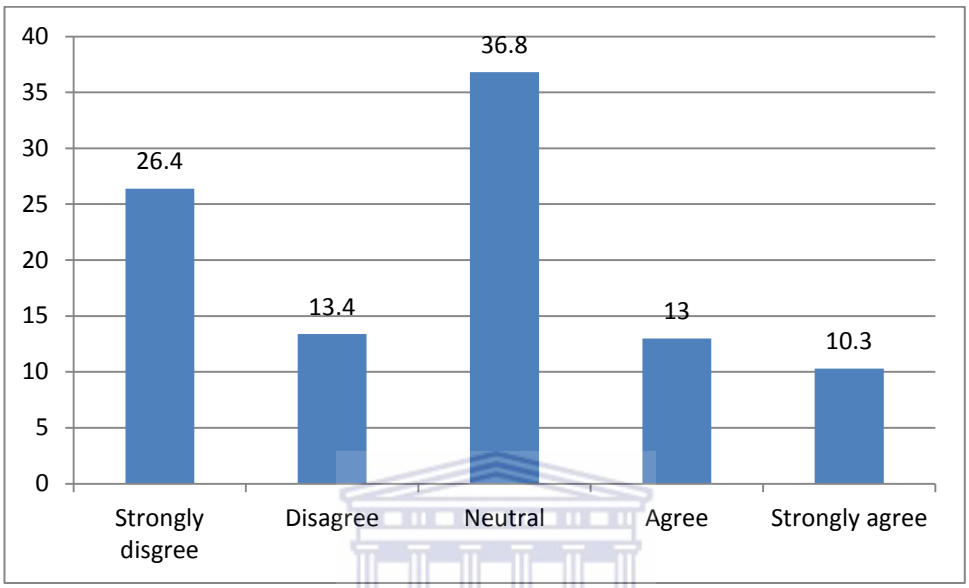

Figure 6.10: Female family headship is an entrepreneurial hindrance in my society

Figure 6.10 above demonstrates that 39.8% of the respondents disagreed with the statement that female family headship is an entrepreneurial hindrance in their society, while 23.3% of the respondents disagreed. However, 36.8% of the respondents were neutral about the statement.

Table 6.46: There is no gender-based separation of works in my society					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	17	6.2	6.5	6.5
	Disagree	33	12.0	12.6	19.1
	Neutral	52	19.0	19.8	38.9
	Agree	76	27.7	29.0	67.9
	Strongly Agree	84	30.7	32.1	100.0
	Total	262	95.6	100.0	
Missing	System	12	4.4		
Total		274	100.0		

From Table 6.46 above, it is clear that a large majority of the respondents (58.4%) agreed with the statement that there is no gender-based separation of works in their society. However, 18.2% of the respondents disagreed with the statement.

6.9. SECTION G: SOCIO-ECONOMIC VALUES

This section sought information about the influence of income on the entrepreneurial intention, the amount of income in the family, intention to start a business and how soon it would be started. This section also presents an analysis of the information about the role of economic development and the employment level in shaping entrepreneurial behaviour.

Table 6.47: The level of income in the family stimulates entrepreneurial initiatives					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	21	7.7	7.9	7.9
	Disagree	27	9.9	10.2	18.1
	Neutral	77	28.1	29.1	47.2
	Agree	86	31.4	32.5	79.6
	Strongly Agree	54	19.7	20.4	100.0
	Total	265	96.7	100.0	
Missing	System	9	3.3		
Total		274	100.0		

According to Table 6.47 above, 51.1% of the respondents agreed that the level of income in the family stimulates entrepreneurial initiatives while 17.6% of them disagreed. However, a significant percentage of 28.1 were neutral about the level of income in the family stimulating entrepreneurial initiatives.

Table 6.48: I think of entrepreneurial initiatives as there is enough income to capitalise them					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	18	6.6	6.8	6.8
	Disagree	47	17.2	17.8	24.6
	Neutral	79	28.8	29.9	54.5
	Agree	81	29.6	30.7	85.2
	Strongly Agree	39	14.2	14.8	100.0
	Total	264	96.4	100.0	
Missing	System	10	3.6		
Total		274	100.0		

As reflected in Table 6.48 above, 43.8% of the respondents agreed that they think of entrepreneurial initiatives because there is enough income to capitalise them, while 23.8% of them disagreed. However, 28.8% of the respondents were neutral about the question.

Table 6.49: Members of families with high income are not motivated to behave entrepreneurially

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	48	17.5	18.2	18.2
	Disagree	77	28.1	29.2	47.3
	Neutral	69	25.2	26.1	73.5
	Agree	47	17.2	17.8	91.3
	Strongly Agree	23	8.4	8.7	100.0
	Total	264	96.4	100.0	
Missing	System	10	3.6		
Total		274	100.0		

Table 6.49 above shows that 45.6% of the respondents disagreed with the fact that members of families with high income are motivated to behave entrepreneurially, while only 25.6% of the respondents agreed. However, 25.2% of them were neutral about the question.

Table 6.50: People without sufficient income are motivated to behave entrepreneurially

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	24	8.8	9.1	9.1
	Disagree	27	9.9	10.2	19.2
	Neutral	73	26.6	27.5	46.8
	Agree	96	35.0	36.2	83.0
	Strongly Agree	45	16.4	17.0	100.0
	Total	265	96.7	100.0	
Missing	System	9	3.3		
Total		274	100.0		

Table 6.50 above demonstrates that just above half of the respondents (51.4%) agreed that people without sufficient income are motivated to behave entrepreneurially, 18.7% disagreed, while 26.6% of them were neutral.

Table 6.51: If I had a job with high income, I would save for my entrepreneurial venture

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	6	2.2	2.3	2.3
	Disagree	15	5.5	5.7	8.0
	Neutral	44	16.1	16.7	24.7
	Agree	93	33.9	35.4	60.1
	Strongly Agree	105	38.3	39.9	100.0
	Total	263	96.0	100.0	
Missing	System	11	4.0		
Total		274	100.0		

According to Table 6.51 above, a decisive majority of 72.2% of the respondents agreed that if they had a job with high income, they would save for their entrepreneurial venture while 7.7% disagreed. However, 16.1% of them were neutral.

Table 6.52: I would use my high income to start a business venture

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	7	2.6	2.7	2.7
	Disagree	13	4.7	4.9	7.6
	Neutral	48	17.5	18.2	25.8
	Agree	81	29.6	30.7	56.4
	Strongly Agree	115	42.0	43.6	100.0
	Total	264	96.4	100.0	
Missing	System	10	3.6		
Total		274	100.0		

Table 6.52 above demonstrates that a large majority of 71.6% of the respondents agreed that they would use their high income to start a business venture, 7.3% disagreed, while 17.5% of them were neutral.

Table 6.53: I know people who used their income for business ventures

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	7	2.6	2.6	2.6
	Disagree	12	4.4	4.5	7.2
	Neutral	39	14.2	14.7	21.9
	Agree	84	30.7	31.7	53.6
	Strongly Agree	123	44.9	46.4	100.0
	Total	265	96.7	100.0	
Missing	System	9	3.3		
Total		274	100.0		

From Table 6.53 above, it is clear that an overwhelming majority of 75.6% of the respondents agreed that they know people who used their income for business ventures.

Table 6.54 below shows that 41.6% of the respondents (entrepreneurship students) did not know the amount of income in their families while 21.2% of them indicated that the level of income was more than R100 000 per month.

Table 6.54: Monthly income					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Less than R10 000	14	5.1	5.6	5.6
	R10 001 - R20 000	10	3.6	4.0	9.5
	R20 001 - R30 000	15	5.5	6.0	15.5
	R30 001 - R40 000	7	2.6	2.8	18.3
	R40 001 - R50 000	3	1.1	1.2	19.4
	R50 001 - R60 000	8	2.9	3.2	22.6
	R60 001 - R70 000	9	3.3	3.6	26.2
	R70 001 - R80 000	4	1.5	1.6	27.8
	R80 001 - R90 000	5	1.8	2.0	29.8
	R90 001 - R100 000	5	1.8	2.0	31.7
	More than R100 000	58	21.2	23.0	54.8
	Don't know	114	41.6	45.2	100.0
	Total	252	92.0	100.0	
Missing	System	22	8.0		
Total		274	100.0		

Table 6.55: Do you intend to open up a business?					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	221	80.7	83.4	83.4
	No	44	16.1	16.6	100.0
	Total	265	96.7	100.0	
Missing	System	9	3.3		
Total		274	100.0		

From Table 6.55 above, it is shown that a huge majority of 80.7% of the respondents agreed that they intended to open up a business, while 16.1% of them did not have such an intention.

Table 6.56: If you intend opening up a business, when?					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Immediately after studies	67	24.5	30.0	30.0
	Five years after graduation	109	39.8	48.9	78.9
	Ten years after graduation	37	13.5	16.6	95.5
	Fifteen years after graduation	10	3.6	4.5	100.0
	Total	223	81.4	100.0	
Missing	System	51	18.6		
Total		274	100.0		

According to Table 6.56 above, 39.8% of the respondents intended opening up a business five years from the time of answering the questionnaire, while 24.5% of them intended opening up a business

immediately after studies. However, 13.5% of the respondents intended opening up a business ten years from the time of answering the questionnaire, while 18.6% did not answer the question. This finding of students wanting to start their businesses in five years from the time of answering the questionnaire correlates with the findings of Global University Entrepreneurial Spirit Students' Survey (GUESS)-South Africa 2008-2009, that found that the majority of the students consider entrepreneurial employment five years after graduation.

6.9.1. Economic development variable

Table 6.57: The level of economic development stimulates entrepreneurial thinking

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	8	2.9	3.1	3.1
	Disagree	14	5.1	5.4	8.4
	Neutral	31	11.3	11.9	20.3
	Agree	131	47.8	50.2	70.5
	Strongly Agree	77	28.1	29.5	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.57 above shows that a vast majority of the respondents (75.9%) agreed that the level of economic development stimulates entrepreneurial thinking.

Table 6.58: The level of economic development offers opportunities for entrepreneurial initiatives					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	6	2.2	2.3	2.3
	Disagree	12	4.4	4.6	6.9
	Neutral	21	7.7	8.1	15.1
	Agree	130	47.4	50.2	65.3
	Strongly Agree	90	32.8	34.7	100.0
	Total	259	94.5	100.0	
Missing	System	15	5.5		
Total		274	100.0		

Table 6.58 above indicates that 80.2% of the respondents agreed that the level of economic development offers opportunities for entrepreneurial initiatives while 5.5% of them did not answer the question.

Table 6.59: The level of economic development provides a framework for businesses to flourish					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	6	2.2	2.3	2.3
	Disagree	13	4.7	5.0	7.3
	Neutral	44	16.1	16.9	24.1
	Agree	127	46.4	48.7	72.8
	Strongly Agree	71	25.9	27.2	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.59 above shows that 72.3% of the respondents agreed that the level of economic development provides a framework for businesses to flourish, while 16.1% of them were neutral.

Table 6.60: The current economic development is conducive to the establishment of an entrepreneurial venture

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	5	1.8	1.9	1.9
	Disagree	25	9.1	9.6	11.5
	Neutral	86	31.4	33.1	44.6
	Agree	104	38.0	40.0	84.6
	Strongly Agree	40	14.6	15.4	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

According to Table 6.60 above, 52.4% of the respondents agreed that the current economic development is conducive to the establishment of the entrepreneurial venture, while 31.4% of them were neutral. However, 5.1% of the respondents preferred not to answer to the question.

Table 6.61: The more the economy is developed, the more entrepreneurship will take place

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	3	1.1	1.1	1.1
	Disagree	19	6.9	7.3	8.4
	Neutral	39	14.2	14.9	23.4
	Agree	113	41.2	43.3	66.7
	Strongly Agree	87	31.8	33.3	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.61 above reflects that 73.0% of the respondents agreed that the more the economy is developed, the more entrepreneurship would take place, while 14.2% of the respondents were neutral.

Table 6.62: Countries that are economically developed are more entrepreneurial

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	8	2.9	3.1	3.1
	Disagree	28	10.2	10.9	14.0
	Neutral	49	17.9	19.0	32.9
	Agree	90	32.8	34.9	67.8
	Strongly Agree	83	30.3	32.2	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

According to Table 6.62 above, respondents agreed that 63.1% of countries that are economically developed are more entrepreneurial. Only 13.2% of them disagreed, while 5.8% of the respondents preferred not to answer to the question.

Table 6.63: A lower level of economic development stimulates entrepreneurial initiatives

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	16	5.8	6.2	6.2
	Disagree	34	12.4	13.1	19.2
	Neutral	82	29.9	31.5	50.8
	Agree	84	30.7	32.3	83.1
	Strongly Agree	44	16.1	16.9	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

Table 6.63 above demonstrates that 46.8% of the respondents agreed that a lower level of economic development stimulates entrepreneurial initiatives, while 29.9% of them were neutral. Only 18.2% disagreed.

6.9.2. Employment level variable

Table 6.64: The level of employment stimulates entrepreneurial initiatives

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	9	3.3	3.5	3.5
	Disagree	16	5.8	6.2	9.6
	Neutral	77	28.1	29.6	39.2
	Agree	111	40.5	42.7	81.9
	Strongly Agree	47	17.2	18.1	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

According to Table 6.64 above, 57.7% of the respondents agreed that the level of employment stimulates entrepreneurial initiatives, while 28.1% of them were neutral. However, 5.1% of the respondents did not answer the question.

Table 6.65: I know of people who chose an entrepreneurial career despite being employed

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	7	2.6	2.7	2.7
	Disagree	16	5.8	6.1	8.8
	Neutral	49	17.9	18.8	27.6
	Agree	118	43.1	45.2	72.8
	Strongly Agree	71	25.9	27.2	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.65 above reveals that 79.0% of the respondents agreed that they know of people who chose an entrepreneurial career despite being employed.

Table 6.66: The higher the employment level, the higher the entrepreneurial behaviour

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	11	4.0	4.2	4.2
	Disagree	37	13.5	14.2	18.5
	Neutral	92	33.6	35.4	53.8
	Agree	81	29.6	31.2	85.0
	Strongly Agree	39	14.2	15.0	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

From Table 6.66, it is clear that 43.8% of the respondents agreed that the higher the employment level, the higher the entrepreneurial behaviour, while 33.6% of them were neutral.

Table 6.67: The lower the employment level, the higher the entrepreneurial initiatives

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	7	2.6	2.7	2.7
	Disagree	30	10.9	11.5	14.2
	Neutral	95	34.7	36.4	50.6
	Agree	88	32.1	33.7	84.3
	Strongly Agree	41	15.0	15.7	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.67 above displays that 47.1% of the respondents agreed that the lower the employment level the higher the entrepreneurial initiatives, and 34.7% of them were neutral.

Table 6.68: The level of employment has a positive impact on entrepreneurial initiatives

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Disagree	19	6.9	7.4	7.4
	Neutral	63	23.0	24.5	31.9
	Agree	119	43.4	46.3	78.2
	Strongly Agree	56	20.4	21.8	100.0
	Total	257	93.8	100.0	
Missing	System	17	6.2		
Total		274	100.0		

According to Table 6.68 above, 63.8% of the respondents agreed that the level of employment has a positive impact on entrepreneurial initiatives, while 23.0% of them were neutral. However, 6.2% of the respondents did not provide answers to the question.

Table 6.69: Some entrepreneurs acquired entrepreneurial skills from the workplace

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	1	.4	.4	.4
	Disagree	10	3.6	3.9	4.3
	Neutral	34	12.4	13.2	17.4
	Agree	128	46.7	49.6	67.1
	Strongly Agree	85	31.0	32.9	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

Table 6.69 above reveals that a huge majority of 77.7% of the respondents agreed that some entrepreneurs have acquired entrepreneurial skills from the workplace. However, 5.8% of them did not provide answers to the question.

Table 6.70: I would choose self-employment over being employed

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	9	3.3	3.5	3.5
	Disagree	20	7.3	7.7	11.2
	Neutral	32	11.7	12.3	23.5
	Agree	73	26.6	28.1	51.5
	Strongly Agree	126	46.0	48.5	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

From Table 6.70 above, it is clear that 72.6% of the respondents supported the statement that they would choose self-employment over being employed. However, 5.1% of the respondents did not answer the question.

Figure 6.11 below reflects that 49.2% of the research participants agreed that the level of employment in their region is high, while 24.2% of them disagreed. However, 26.5% of the respondents were neutral about the question.

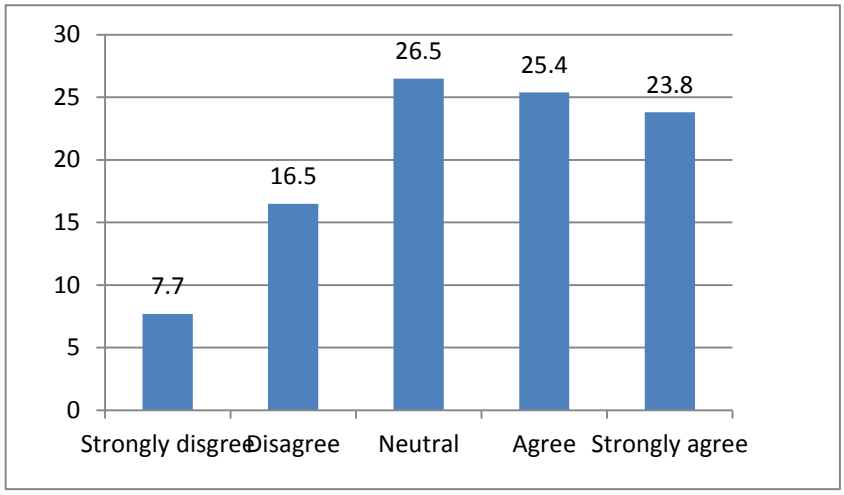

Figure 6.11: The level of employment in my region is high

Figure 6.11 above reflects that 49.2% of the research participants agreed that the level of employment in their region is high, while 24.2% of them disagreed. However, 26.5% of the respondents were neutral about the question.

6.10. SECTION H: SELF-EFFICACY

This section presents an analysis of data related to how self-efficacy impacts on entrepreneurial intentions.

Table 6.71: When I try hard enough, I can always manage to solve difficult problems

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	6	2.2	2.3	2.3
	Disagree	6	2.2	2.3	4.7
	Neutral	13	4.7	5.0	9.7
	Agree	92	33.6	35.7	45.3
	Strongly Agree	141	51.5	54.7	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

Table 6.71 above reflects that an overwhelming majority of 85.1% of the respondents agreed that when they try hard enough, they can always manage to solve difficult problems, while 5.8% of the respondents did not answer the question.

Table 6.72: In demanding situations, I can usually think of solutions

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	2	.7	.8	.8
	Disagree	8	2.9	3.1	3.9
	Neutral	23	8.4	8.9	12.7
	Agree	108	39.4	41.7	54.4
	Strongly Agree	118	43.1	45.6	100.0
	Total	259	94.5	100.0	
Missing	System	15	5.5		
Total		274	100.0		

From Table 6.72 above, an overwhelming majority (82.5%) of the respondents agreed that, in demanding situations, they can think of solutions, while 5.5% of them did not answer the question.

Table 6.73: In demanding situations, I can always make decisions

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	2	.7	.8	.8
	Disagree	9	3.3	3.5	4.3
	Neutral	31	11.3	12.0	16.3
	Agree	119	43.4	46.1	62.4
	Strongly Agree	97	35.4	37.6	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

As reflected in Table 6.73 above, 78.8% of the respondents agreed that in demanding situations, they can always make decisions, while 11.3% of them were neutral.

Table 6.74: No matter what comes my way, I am able to handle it					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	4	1.5	1.6	1.6
	Disagree	8	2.9	3.1	4.7
	Neutral	42	15.3	16.3	20.9
	Agree	119	43.4	46.1	67.1
	Strongly Agree	85	31.0	32.9	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

Table 6.74 above reflects that 74.4% of the respondents agreed that no matter what comes their way, they are able to handle it. Only 15.3% of the respondents were neutral, while 5.8% among the respondents did not answer the question.

Table 6.75: I can rely on my ability to solve problems					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	3	1.1	1.2	1.2
	Disagree	11	4.0	4.3	5.4
	Neutral	23	8.4	8.9	14.3
	Agree	120	43.8	46.5	60.9
	Strongly Agree	101	36.9	39.1	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

Table 6.75 above shows that a huge majority (80.7%) of the respondents agreed that they can rely on their ability to solve problems. Only 5.8% among them did not provide answers to the question.

Table 6.76: I am able to manage money

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	11	4.0	4.2	4.2
	Disagree	6	2.2	2.3	6.6
	Neutral	36	13.1	13.9	20.5
	Agree	98	35.8	37.8	58.3
	Strongly Agree	108	39.4	41.7	100.0
	Total	259	94.5	100.0	
Missing	System	15	5.5		
Total		274	100.0		

According to Table 6.76 above, 75.2% of the respondents agreed with the statement while 5.5% among them did not answer the question.

Table 6.77: I believe in my creativity

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	4	1.5	1.5	1.5
	Disagree	10	3.6	3.9	5.4
	Neutral	35	12.8	13.5	18.9
	Agree	98	35.8	37.8	56.8
	Strongly Agree	112	40.9	43.2	100.0
	Total	259	94.5	100.0	
Missing	System	15	5.5		
Total		274	100.0		

From Table 6.77 above, it is clear that 76.7% of the respondents agreed that they believe in their creativity, while 5.5% among did not answer the question.

Table 6.78: I can get people to agree with me

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	3	1.1	1.2	1.2
	Disagree	7	2.6	2.7	3.9
	Neutral	32	11.7	12.4	16.3
	Agree	118	43.1	45.7	62.0
	Strongly Agree	98	35.8	38.0	100.0
	Total	258	94.2	100.0	
Missing	System	16	5.8		
Total		274	100.0		

Table 6.78 above shows that 78.9% of the respondents agreed that they can get people to agree with them. However, 5.8% among them did not answer the question.

Table 6.79: I possess leadership qualities

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	4	1.5	1.5	1.5
	Disagree	3	1.1	1.2	2.7
	Neutral	34	12.4	13.1	15.8
	Agree	101	36.9	39.0	54.8
	Strongly Agree	117	42.7	45.2	100.0
	Total	259	94.5	100.0	
Missing	System	15	5.5		
Total		274	100.0		

Table 6.79 above reflects that 79.6% of the respondents agreed that they possess leadership qualities, while 12.4% were neutral. However, 5.5% of the respondents did not answer the question.

6.11. SECTION I: ENTREPRENEURIAL INTENTIONS

This section is the key of this study and it presents an analysis of the data concerning the level of the respondents' intention to open up their own businesses or to work for someone else.

Table 6.80: I will choose a career as an entrepreneur

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	13	4.7	5.0	5.0
	Disagree	16	5.8	6.1	11.1
	Neutral	54	19.7	20.6	31.7
	Agree	67	24.5	25.6	57.3
	Strongly Agree	112	40.9	42.7	100.0
	Total	262	95.6	100.0	
Missing	System	12	4.4		
Total		274	100.0		

Table 6.80 shows that a large majority (65.4%) of the respondents agreed that they would choose entrepreneurship as their career. This is an encouraging finding among young people in a country that is in high need of entrepreneurship.

Table 6.81: I will choose a career as an employee in a company/an organisation					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	28	10.2	10.6	10.6
	Disagree	33	12.0	12.5	23.2
	Neutral	87	31.8	33.1	56.3
	Agree	75	27.4	28.5	84.8
	Strongly Agree	40	14.6	15.2	100.0
	Total	263	96.0	100.0	
Missing	System	11	4.0		
Total		274	100.0		

According to Table 6.81 above, 42% of the respondents agreed that they would choose employment over entrepreneurship, while 22.2% among them disagreed. This finding seems to contradict the finding of the previous table, and this displays a certain level of inconsistency among the respondents.

Table 6.82: I prefer to be an entrepreneur rather than being an employee in a company/an organisation					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	17	6.2	6.5	6.5
	Disagree	22	8.0	8.4	14.9
	Neutral	48	17.5	18.4	33.3
	Agree	63	23.0	24.1	57.5
	Strongly Agree	111	40.5	42.5	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.82 above reflects that 63.5% of the respondents accepted that they prefer to be entrepreneurs rather than being employees in a company or an organisation. This finding correlates with the finding of Table 6.81 above.

Table 6.83: The idea is appealing that one day I will start my own business

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	9	3.3	3.4	3.4
	Disagree	13	4.7	5.0	8.4
	Neutral	24	8.8	9.2	17.6
	Agree	71	25.9	27.2	44.8
	Strongly Agree	144	52.6	55.2	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

To this question in Table 6.83 above, 78.5% of the respondents agreed. Once again, this finding correlates with the finding of Tables 6.80 and 6.82 above.

Table 6.84: I would rather found/form a company than being a manager of an existing one

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	12	4.4	4.6	4.6
	Disagree	21	7.7	8.0	12.6
	Neutral	55	20.1	21.0	33.6
	Agree	76	27.7	29.0	62.6
	Strongly Agree	98	35.8	37.4	100.0
	Total	262	95.6	100.0	
Missing	System	12	4.4		
Total		274	100.0		

Table 6.84 above shows that 63.5% of the respondents agreed that they would rather found/form a company than be manager of an existing one. This question aimed at testing the level of commitment to entrepreneurship, and once again, an encouraging finding is shown whereby a large majority prioritised entrepreneurship over a managerial position. However, 20.1% of the respondents were neutral about the question.

Table 6.85: I want the freedom to express myself in my own business

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	4	1.5	1.5	1.5
	Disagree	10	3.6	3.8	5.4
	Neutral	28	10.2	10.8	16.2
	Agree	73	26.6	28.1	44.2
	Strongly Agree	145	52.9	55.8	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

According to Table 6.85 above, an overwhelming majority (79.5%) of the respondents agreed that they want the freedom to express themselves in their own way. Once again, this reveals a desire to be independent, which is a significant characteristic of an entrepreneur.

Table 6.86 below shows that 69.7% of the respondents agreed that they would rather be their own boss than have a secure job. This finding is highly important as it consistently confirms what respondents have been saying about their entrepreneurial orientation. However, 16.1% of the respondents were neutral about the question.

Table 6.86: I would rather be my own boss than having a secure job					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	6	2.2	2.3	2.3
	Disagree	19	6.9	7.3	9.6
	Neutral	44	16.1	16.9	26.5
	Agree	65	23.7	25.0	51.5
	Strongly Agree	126	46.0	48.5	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

Table 6.87 below shows that 66.1% of the respondents agreed that they enjoy the challenge of creating a new business while 23.0% of them were neutral. Once again, a commitment to the founding of an organisation is shown among the respondents.

Table 6.87: I relish the challenge of creating a new business					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	4	1.5	1.5	1.5
	Disagree	12	4.4	4.6	6.2
	Neutral	63	23.0	24.2	30.4
	Agree	80	29.2	30.8	61.2
	Strongly Agree	101	36.9	38.8	100.0
	Total	260	94.9	100.0	
Missing	System	14	5.1		
Total		274	100.0		

Table 6.88: You can only make big money if you are self-employed					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	41	15.0	15.7	15.7
	Disagree	49	17.9	18.8	34.5
	Neutral	69	25.2	26.4	60.9
	Agree	43	15.7	16.5	77.4
	Strongly Agree	59	21.5	22.6	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

According to Table 6.88 above, 37.2% of the respondents agreed that they could only make big money if they were self-employed, while 32.9 disagreed. However, 25.2% of the respondents were neutral about the question.

Table 6.89: I have always wanted to work for myself					
		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	10	3.6	3.8	3.8
	Disagree	22	8.0	8.4	12.3
	Neutral	43	15.7	16.5	28.7
	Agree	77	28.1	29.5	58.2
	Strongly Agree	109	39.8	41.8	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

Table 6.89 above reflects that 67.9% of the respondents expressed the sentiment that they have always wanted to work for themselves, while 15.7% among them were neutral. This finding also reveals a significant commitment to entrepreneurship.

Table 6.90: If I have the opportunity, I would start my own company

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Strongly Disagree	5	1.8	1.9	1.9
	Disagree	10	3.6	3.8	5.7
	Neutral	25	9.1	9.6	15.3
	Agree	55	20.1	21.1	36.4
	Strongly Agree	166	60.6	63.6	100.0
	Total	261	95.3	100.0	
Missing	System	13	4.7		
Total		274	100.0		

From Table 6.90 above, it is clear that an overwhelming majority of 80.7% of the respondents agreed that if they had an opportunity, they would start their own company. This finding is extremely important as it correlates with many other findings in this section about the commitment to entrepreneurship.

6.12. CHAPTER SUMMARY

This chapter has presented a brief description of the data that was collected from the respondents. The chapter began with a presentation about the inferential statistics used and proceeded with the presentation of the responses from the respondents, with specific references to the various sections of the questionnaire, personal details, past experience, family background, entrepreneurship in the family, respondents' social

values, their cultural and socio-economic values, self-efficacy and entrepreneurial intentions.

Pie charts, bar charts and tables were used to present the data, after which a short description concerning the salient points followed. The following chapter flows from this chapter, and it is concerned with the interpretation of these results.

CHAPTER 7
MULTIVARIATE RESULTS AND QUALITATIVE INTERPRETATION

7.1. INTRODUCTION

While the previous chapter presented analyses of the statistical data as captured from the respondents' points of views, Chapter 7 deals with the interpretation of the findings in relation to main variables of the study, namely social values, cultural values, socio-economic values, self-efficacy as well as entrepreneurial intentions. In other words, this chapter presents the discussion from a qualitative perspective in interpreting the data as obtained from the statistical processes. The interpretation is also based on the research objectives, which include the following:

- Investigate how students' social factors (work, education) shape their entrepreneurial intentions.
- Investigate how students' social factors impact their self-efficacy.
- Investigate how students' cultural values (language, religious beliefs, customs and traditions) shape their entrepreneurial intentions.
- Identify how students' cultural values shape their self-efficacy.
- Investigate how students' socio-economic values (income, economic development, employment level) shape their entrepreneurial intentions.
- Establish how students' socio-economic factors shape their self-efficacy.
- Investigate how self-efficacy impacts on entrepreneurial intentions.

This study used both quantitative and qualitative research methods and this section comprises of the qualitative interpretation of the primary data. The qualitative research approach was used in order to complement the

results and fill the gaps left in the questionnaire survey. The use of this mixed-methods approach, to a large extent, gives more substance and reveals more detailed information.

Therefore, the focus of the qualitative approach is to provide a clearer understanding of the phenomena under study in a more comprehensive way than in a generalised way, which is normally the outcome of survey questionnaires. This approach seeks to acquire information about how people think, feel and act and what they know. The analysis was focused on considering how individuals responded to each question. The data is organised by question to consider all respondents and their answers in order to identify consistencies and differences.

7.2. RESPONSE RATE

Initially, the researcher had envisaged using a sample of 290 (an acceptable sample for an estimated population of 966), but he only managed to get 274 usable questionnaires, and this is a response rate of 94.48%. According to Hussey and Hussey (1997:164), the consideration of response rate is vital in a research study because non-responses could skew the results of the survey, rendering the sample non-representative of the population.

An illustrative example is if you have 2 000 customers and you want to sample a sufficient number to generate a 95% confidence interval and a 2.5% margin error, you would need responses from a sample of 869 of all your customers.

Thus, for the purpose of the current study, the entrepreneurship students who are units of investigation are ± 966, and with a 95% confidence level considered, together with a margin error of 5%, a sample of between 260 and 278 was considered sufficient. This study used a sample of 274 which can be considered satisfactory.

7.3. RELIABILITY MEASURES OF THE VARIABLES OF THE DATA COLLECTION INSTRUMENT

A reliability test (Cronbach's Alpha) was conducted on all the statements, which represents the measuring instrument of this survey. There are varying preferences in terms of appropriate statistical significance or reliability in any research. However, Leong and Austin (2006:107) stated that the appropriateness of reliability for a test depends on the purpose of the test. It was Zikmund *et al*. (2010:306) who brought precision, saying that scales with a coefficient of between *0.70* and *0.95* are considered to have a good reliability, while scales with a coefficient "a" value of between *0.60* and *0.70* could be said to have a fair reliability. In some other studies, *0.50* or more is considered as "large" reliability (Blaikie, 2003:111).

The purpose of this study was to investigate how entrepreneurship students' social values, cultural values as well as socio-economic values motivate their entrepreneurial intentions. In order to achieve this, it was necessary to determine the degree of reliability that would help perform a meaningful analysis, discussion and interpretation of the results.

Table 7.1: Reliability statistics

Variable	Number of items	Cronbach's Alpha
Parents' education	7	0.863
Language	7	0.746
Religion	7	0.730
Customs and traditions	7	0.524
Income	7	0.596
Economic development	7	0.720
Employment level	8	0.521
Self-efficacy	9	0.877
Entrepreneurial intentions	11	0.865

From the preceding table, it is clear that all the independent variables' reliabilities were tested. It was then discovered that, with the exception of only three variables, the remaining seven variables have an acceptable reliability of more than *0.70*. Those three also have a weak reliability of between *0.50* and *0.60.* This practice was necessary as it is in line with Blaikie (2003:220) who ascertained that before applying factor analysis, it is a good idea to inspect the matrix of correlation coefficients. The first thing to do is to see if any item has a very low coefficient with all or most of the other items. Those factors with a low coefficient are then not considered while doing factor analysis. Kline (1986:1) supports the use of factor analysis and articulated that it is the best statistical technique for psychological studies, as well as social sciences, while Zikmund *et al*. (2010:593) ascertained that factor analysis is the best for an exploratory study. Given that the aim of this study was to investigate the students' entrepreneurial intentions, the choice of factor analysis for this study was again justified.

7.4. RELATIONSHIPS BETWEEN SOCIAL VALUES AND SELF-EFFICACY

Statisticians believe that with the bivariate analysis, correlations (r) of *0.005* and *0.001*, paired with a par value of *0.000,* implies the existence of a relationship between two variables, and that the variable is statistically significant. In order to draw meaningful conclusions about the research findings on the relationship between social values, cultural values and socio-economic values against self-efficacy and entrepreneurial intentions, the following process was followed:

- Firstly, the relationships between the above variables had to be established.
- Secondly, each of these relationships was interpreted and is discussed in this study.

Table 7.2: Correlation test results between parents' occupation and self-efficacy		
Item	**Pearson Correlation**	**"p" value**
I always observe my parents/guardians performing their work.	0.194	0.002
I believe in the importance of the role models in my society.	0.363	0.000
I regard my parents/guardians as my role models.	0.255	0.000
I regard other family members as my role models.	0.256	0.000
I believe that my parents'/guardians' work has made them financially stable.	0.243	0.000
I aspire to achieve the same financial success as my parents/guardians.	0.160	0.010

From Table 7.2, the following findings were made concerning the relationship between various items of the independent variable of parents'/guardians' work compared to the dependent variable of self-efficacy:

Six items have a positive relationship between the dependent variable of parents'/guardians' work and independent variable of self-efficacy. This means that the variable is statistically significant and therefore increases the chances of self-efficacy.

Only two items do not show a relationship, suggesting that those items are not statistically significant. Even if those two items had a correlation of higher than 0.005, their par values are far above the suggested norm par value of *0.000* (one being *0.314*, other one being *0.528*).

This finding correlates with the researcher's predictions that children will be inspired by what their parents do. If parents are entrepreneurs, children will undertake the entrepreneurship venture with the conviction that they

will succeed. If parents are teachers, children will grow up believing that they can succeed in that career. This finding correlates with what Scheepers *et al.* (2009:66) mentioned, namely that entrepreneurial parents or grandparents do provide an exposure of the entrepreneurial world to the students and make them become knowledgeable about the demands of running and operating a business (See Section 3.3.1.2. in Chapter 3).

Table 7.3: Correlation between parents'/guardians' education and self-efficacy

Item	Pearson Correlation	"p" value
My parents/guardians are educated (post-matric).	0.150	0.016
Parents'/guardians' education inspires their children.	0.134	0.031
My parents/guardians understand the importance of education.	0.301	0.000
My parents always encourage me to improve my education.	0.208	0.001
My parents'/guardians' education is an inspiration to me.	0.176	0.005
I aspire to have education as my parents/guardians did.	0.159	0.011
My parents'/guardians' success is owed to education.	0.189	0.002

From Table 7.3, the following findings were made concerning the relationship between various items of the independent variable of parents'/guardians' education compared with the dependent variable of self-efficacy:

All seven items have a relationship with a dependent variable, which means that the variable is statistically significant. All seven items have a

correlation (r) of more than *0.005* with some of them having a par value of more than *0.000.*

The history of South Africa has shown that different people who recorded successes were educated, hence there is a very high regard for education in this environment. Furthermore, frequent speeches from authorities at all levels emphasise the importance of education. The late State President, President Mandela, articulated that it is through education that a child of peasants can rise to the summit of a powerful nation (Mandela, 2010). Many South Africans seem to be motivated by wise words such as these, and if their parents are educated, children want to follow the same route in shaping their future.

Contrary to the above finding, Luiz and Mariotti (2011:58) concluded that education, as a component of social values of students, may not hugely influence how their children perceive entrepreneurship (see Section 3.3.1.3 in Chapter 3).

Table 7.4: Correlation between language and self-efficacy

Item	Pearson Correlation	"p" value
The language we speak at home is the same as the language we use at school.	0.133	0.032
There are many people who speak my home language who are entrepreneurs.	0.131	0.035
The understanding of language facilitates social and economic integration and productivity.	0.251	0.000
The stronger the communication skills an entrepreneur has, the more confident he will be.	0.257	0.000
The stronger the communication skills an entrepreneur has, the easier it becomes to penetrate the mainstream market successfully.	0.147	0.018

From Table 7.4, the following findings were made concerning the relationship between various items of the independent variable of language compared with the dependent variable of self-efficacy:

All five items (out of seven) have a correlation value (r) of more than *0.005*, with two of them having a par value of *0.000*. It can therefore be concluded that the independent variable of language has a relationship with the dependent variable of self-efficacy. This finding is very important, and it implies that language as an instrument of communication is an essential asset that enhances self-efficacy. This finding is crucial in the current study, and it correlates with Altinay's (2008:116) claim that people become more convinced about entrepreneurial behaviour, if they are confident about their level of skills to bring the initiative to a successful end (see Section 3.3.2.1 in Chapter 3).

Furthermore, Levent *et al*. (2003) support the above finding as they postulated that the stronger the language skills of the entrepreneur, the higher the level of confidence they will have to seek capital from banks and other financial institutions, and they will rely less on co-ethnic capital. The ability to communicate effectively in a language allows entrepreneurs to break into the mainstream market successfully, while the availability of information in a language that one speaks fluently is a major boost for entrepreneurial initiatives (Altinay, 2008:118) (see Section 3.3.2.1 in Chapter 3). The relationship between religion and self-efficacy did not show any correlation, which means the variable is not statistically significant.

Table 7.5: Correlation between customs and traditions and self-efficacy		
Item	**Pearson Correlation**	**"p" value**
In our customs and traditions, we learn about life skills such as self-reliance.	0.273	0.000
In our customs and traditions, we learn about entrepreneurial skills.	0.251	0.000
In our customs and traditions, we exercise entrepreneurial behaviour.	0.252	0.000
In our tradition, we like to implement our own ideas.	0.317	0.000

From Table 7.5, the following findings were made concerning the relationship between various items of the independent variable of customs and traditions compared with the dependent variable of self-efficacy:

Only four out of seven items show a correlation "p" of more than *0.005* with a par value of *0.000* for all four. It can therefore be affirmed that there is a relationship between the independent variable of customs and traditions and the dependent variable of self-efficacy. This shows that the variable of traditions and customs is statistically significant. Looking at the above items that positively influence self-efficacy, it is important to emphasise the role and importance of teachings and activities that may take place at home for the future of the children. This is supported by what Nsaminang (2007) said in Section 3.3.2 (Chapter 3), namely that: "Different cultures invest in children, not as an end state, but in recognition that tomorrow's adults are the products of their childhood".

This finding also underscores President Mandela's call that we have to make every home, every shack or rickety structure, a centre of learning (Mandela, 2010).

Table 7.6: Correlation between income and self-efficacy		
Item	**Pearson Correlation**	**"p" value**
The level of income in the family stimulates entrepreneurial initiatives.	0.175	0.005
If I had a job with a high income, I would save for my entrepreneurial venture.	0.162	0.009
I would use my high income to open a business venture.	0.190	0.002
I know people who used their income to open up a business venture.	0.372	0.000

From Table 7.6, the following findings were made concerning the relationship between various items of the independent variable of income compared with the dependent variable of self-efficacy:

Four out of seven items show a correlation "p" of more than *0.005*. It can therefore be acknowledged that there is a relationship between the independent variable of income and the dependent variable of self-efficacy. This shows that the variable of income is statistically significant. Generally, it is believed that the higher the income, the lower the intent of business orientation. However, in some societies, a higher income may create a different mindset about the utilisation of that extra money, and make them confident about entrepreneurship success. This was confirmed by Luiz and Mariotti's study (2011:60), as stated in Section 3.3.2.1 above, that students from the poorest background appear to be more positive about starting their own businesses and also appear to have access to more information than their counterparts from higher earning families.

Table 7.7: Correlation between economic development and self-efficacy		
Item	**Pearson Correlation**	**"p" value**
The level of economic development stimulates entrepreneurial thinking.	0.256	0.000
The level of economic development offers opportunities for entrepreneurial initiatives.	0.241	0.000
The level of economic development provides a framework for businesses to flourish.	0.223	0.000
The current economic development is conducive to the establishment of an entrepreneurial venture.	0.133	0.000
The more the economy is developed, the more entrepreneurship will take place.	0.218	0.000
Countries that are economically developed are more entrepreneurial.	0.178	0.004

From Table 7.7, the following findings were made concerning the relationship between various items of the independent variable of economic development compared to the dependent variable of self-efficacy:

The independent variable of economic development counted a total of seven items. Six items were found to have a positive correlation with the dependent variable of self-efficacy, with a correlation coefficient of more than *0.005,* as shown on Table 7.7 above. Their par value ranges between *0.000* and *0.034*, and this suggests the existence of a relationship between the independent variable of economic development and the dependent variable of self-efficacy. This also means that economic development as an independent variable is statistically significant to influence self-efficacy.

This finding is generally correct, as many people regard economic development as a wakeup call for entrepreneurial venture, through self-

efficacy. This belief comes from the fact that economic development goes with job creation, resulting in more people being employed, and raising the buying power of the community. With economic development, many social factors change for the better, which makes people confident about their success in businesses. In the literature review, (see Section 3.3.3.2 in Chapter 3), Farrington *et al*. (2012:333), Mueller (2004) and Shane (1992) postulated that the occurrence of entrepreneurial attributes varies across countries and cultures, while factors contributing to these differences have been identified as being the culture, level of economic development of the country, as well as the political-economic traditions (Mueller *et al*., 2002).

Table 7.8: Correlation between employment and self-efficacy

Item	Pearson Correlation	"p" value
The level of employment stimulates entrepreneurial initiatives.	0.243	0.000
I know of people who chose entrepreneurial careers despite being employed.	0.273	0.000
The lower the employment, the higher the entrepreneurial initiatives.	0.147	0.018
The level of employment has a positive impact on entrepreneurial initiatives.	0.221	0.000
Some entrepreneurs acquired entrepreneurial skills from the workplace.	0.382	0.000
I would choose self-employment over being employed.	0.193	0.002
The level of employment in my region is high.	0.130	0.037

From Table 7.8, the following findings were made concerning the relationship between various items of the independent variable of employment compared the dependent variable of self-efficacy:

The variable of employment level had eight items in total. The relationship between employment and self-efficacy shows that only seven have the

required correlation value of more than *0.005* and a par value varying between *0.000* and *0.037*. These items are considered to have a positive relationship with the dependent variable of self-efficacy, which also means that the independent variable of employment level is statistically significant.

As Khosa and Kalitanyi (2014) put it, employment has been the starting point toward entrepreneurship, when people resign or are retrenched and immediately find refuge in self-employment. The work environment exposes people to the benefits and some relative difficulties in running a business, which most of the time makes them feel confident about entrepreneurial ventures.

Table 7.9: Correlation between parents' work and entrepreneurial intentions

Item	Pearson Correlation	"p" value
I often observe my parents/guardians performing their work.	0.237	0.000
I believe in the importance of the role models in my society.	0.256	0.000
I regard my parents/guardians as my role models.	0.218	0.000

The variable of parents'/guardians' work had eight items. After a bivariate test had been conducted, it was observed that only three items reflected in Table 7.9 above have the required correlation value of above *0.005* and a par value of *0.000*. This suggests that there is a relationship between the independent variable of parents'/guardians' education and entrepreneurial intentions.

This number of items is low, and it may be because respondents consider nurturing the entrepreneurial intentions by environmental factors rather than by what their parents do. This is especially true because not all

children pursue the same career as their parents. However, as discussed above, this variable hugely influences self-efficacy.

The literature discussed under Section 3.3.1.2 is not consistent with this finding as Stanworth and Curran (1989) stated that consistent relationships have been established between certain personal background variables on the one hand and entrepreneurial behaviour on the other hand, and in most studies conducted, most of the small business owner-managers had a self-employed parent. For those individuals intending to start a business, most of them have a parent who has also been in business. This personal background actually has a positive effect on entrepreneurial preparedness, entrepreneurial career expectancy, and desirability of founding a firm (Stanworth & Curran, 1989).

Table 7.10: Correlation of parents' education and entrepreneurial intentions

Item	Pearson Correlation	"p" value
Parents'/guardians' education inspire their children.	0.172	0.005
My parents/guardians understand the importance of education.	0.253	0.000
My parents always encourage me to improve my education.	0.231	0.000
My parents'/guardians' education is an inspiration to me.	0.182	0.003

The bivariate test has shown that out of seven items making up the variable of parents'/guardians' education, only four have a required correlation "p" of more than *0.005* and a par value of between *0.000* and *0.005,* as shown in Table 7.10 above. This means that there is a relationship between the independent variable of parents'/guardians' education and the dependent variable of entrepreneurial intentions.

This finding is relevant and indeed confirms the reason why the respondents of the study, who are entrepreneurship students, are undertaking the programme. Under the biographical information, it was discovered that the majority of the respondents' fathers had tertiary education, while the majority of respondents' mothers had matric as their highest qualification. There were some respondents whose parents did not have formal education. Therefore, the fact that the number of items that have a positive correlation with the independent variable is only four out seven, may be a result of the fact that some of the respondents had uneducated parents.

When this finding is compared with that of Luiz and Mariotti (2011:58) in Section 3.3.1.3, it shows diverging opinions about the impact of parents' education on entrepreneurial intentions of their children. The authors posited that education, as a component of social values of students, may not hugely influence how their children perceive entrepreneurship. They pointed out that the more educated the parents, the less likely the children are to start their own businesses, thereby implying that the parents are not transmitting the legacy of entrepreneurship to their progeny. However, the researcher disagrees with this statement and proposes that empirical findings from this study can confirm or contradict this statement. The truth is that education does impact on entrepreneurial intentions among South African students.

Table 7.11: Correlation between language and entrepreneurial intentions		
Item	**Pearson Correlation**	**"p" value**
The understanding of a language facilitates social and economic integration and productivity.	0.162	0.009
The stronger the communication skills of the entrepreneur, the more confident he will be.	0.298	0.000
The stronger the communication skills of the entrepreneur, the easier it becomes to penetrate the mainstream market successfully.	0.267	0.000

The variable of language has seven different items. The bivariate test produced data showing that only three items have a required correlation of more than *0.005*, paired with a par value of between *0.000* and *0.009*, as reflected in Table 7.11 above. This shows that there is relationship between the independent variable of language and dependent variable of entrepreneurial intentions. This means that the better someone is at communicating, the more his/her chances of entrepreneurial intents are increased.

A communication skill is crucial in entrepreneurship. Starting and running one's own business is a process which, in many circumstances, involves negotiations, networking, presentations during meetings and conferences, and hence an individual confident in his strong communication skills is likely to increase his entrepreneurial intentions faster than otherwise. This is what Altinay (2008:118) confirmed when he articulated that the ability to sufficiently communicate in a language allows entrepreneurs to break into the mainstream market successfully. He further posited that the availability of information in a language that one speaks fluently is a major boost for entrepreneurial initiatives.

Table 7.12: Correlation between religion and entrepreneurial intentions		
Item	**Pearson Correlation**	**"p" value**
Religion is the main instrument to shape all the norms in my society.	0.142	0.022
My religion allows me to perform entrepreneurial activity.	0.162	0.009
Our family religious beliefs have helped some family members to become entrepreneurs.	0.298	0.000
Our family beliefs facilitate business networking.	0.267	0.000

Table 7.12 contains information about the variable of religion. The total number of items in the variable is seven, but only four are proven to have an acceptable correlation "p" value of above *0.005* paired with a par value of between *0.000* and *0.009*. This shows that there is a relationship between the independent variable of religion and entrepreneurial intentions, and that the independent variable is statistically significant.

In some communities, religion plays a significant role in influencing the behaviour of their members. If entrepreneurship is a behaviour that can be influenced, and if it is one of the mainstays of a religious group, the members will develop their intentions to become entrepreneurs. An example is that Muslims in Cape Town tend to have a high level of entrepreneurship as a result of their religious teachings of solidarity. The literature in Section 3.3.2.2 of the current study indicated mixed reactions about the role of religion on entrepreneurial intentions. For example, Iannaccone's (1998) argued that religion through cultural norms will influence entrepreneurial activity, while Sherkat and Ellison (1999:365) ascertained that in the US, religion beliefs on entrepreneurial activities are salient. However, Metcalf *et al*. (1996) stated that religion can be a barrier to business growth and supported their argument with the fact that Indians are more successful business people than Pakistanis, who rely heavily on

the influence of religion which prohibits the payment of interest on bank loans.

In the same vein, Smallbone *et al*. (1999) stated that Pakistanis who wish to live according to Islamic values are less willing to integrate with western culture and consequently have not performed as well as non-Muslim businesses. The same view is also shared by other scholars such as Rafiq (1992) who stated that Asian Muslim businesses have not performed as well as non-Muslim businesses. Altinay (2008:113) argued that the religion of the manager or business owner constitutes a barrier to capital access from banks and that Muslim managers rely on the capital from co-ethnics for their business start-ups and entrepreneurial activities.

Contrary to the above arguments, Basu and Altinay (2002) discovered that Muslim entrepreneurs, including Turkish entrepreneurs, are pragmatic businessmen who realise that they have to rely on bank borrowing if they wish to start a business and if alternative modes of finance are unavailable. As with the above debate, the current study has through empirical evidence reached the conclusion that religion does influence entrepreneurial intentions.

Table 7.13: Correlation between customs, traditions and entrepreneurial intentions

Item	Pearson Correlation	"p" value
In our customs and traditions, we exercise entrepreneurial behaviour.	0.167	0.007
Female family headship is an entrepreneurial hindrance in my society.	0.181	0.004

The variable of customs and traditions has seven as the total number of items. The bivariate test has shown that only two items have the required value of correlation of above *0.005*, paired with a par value of between *0.004* and *0.007,* as reflected in Table 7.13. This means that there is a

relationship between the independent variable of customs and traditions and the dependent variable of entrepreneurial intentions.

Like many other practices in a society, customs and traditions play a major role in drawing a line of conduct for their members. Customs and traditions define people's behaviour, beliefs and, briefly, their ways of life. In a society where entrepreneurial behaviours are regarded as norms, children growing up in these communities will quickly acquire and develop behaviours to perform entrepreneurial activity. On the other hand, society structures that exclude women from economic activities – as a result of norms of culture, customs and traditions – inhibit entrepreneurial initiatives from them, as illustrated by Al-Sadi *et al*. (2012:67).

Table 7.14: Correlation between income and entrepreneurial intentions

Item	Pearson Correlation	"p" value
The level of income in the family stimulates entrepreneurial initiatives.	0.261	0.000
People without sufficient income are motivated to behave entrepreneurially.	0.180	0.004
If I had a job with a high income, I would save for my entrepreneurial venture.	0.408	0.000
I would use my high income to open a business venture.	0.495	0.000
I know people who used their income to open up business ventures.	0.373	0.000
Do you intend to open up a business?	-0.564	0.000
If yes, when?	-0.234	0.000

Table 7.14 above shows the items of the variable of income. This variable has a total of ten items. After the bivariate test, it was realised that only seven items have the required correlation value of above *0.005*, paired with a par value of *0.000* for almost all the items except one. This shows that there is strong relationship between the independent variable of

income and the dependent variable of entrepreneurial intentions, and that the independent variable of income is statistically significant.

In the current study, the income variable was found to be a significant factor towards entrepreneurial intentions of students. This finding correlates with Luiz and Mariotti (2011:60) (see Section 3.3.3.1 in Chapter 3) that students from both poorest and richest households are most likely to think that they will start up their own businesses, though there are diverging opinions concerning which type of business these students would like to open. Those from a richer background think of opening an innovative business, while those with a poor background think about more basic enterprises. This finding also correlates with the fact that people with a higher income are always looking for investing the extra portion, hence they think of opening up businesses. In the South African context, this reminds one of the rationale behind the introduction of the Close Corporations Act in 1984, before it was discontinued by the Companies Act of 2008.

Table 7.15: Correlation between economic development and entrepreneurial intentions		
Item	**Pearson Correlation**	**"p" value**
The level of economic development stimulates entrepreneurial thinking.	0.221	0.000
The level of economic development offers opportunities for entrepreneurial initiatives.	0.175	0.005
The level of economic development provides a framework for businesses to flourish.	0.133	0.033
The current economic development is conducive to the establishment of an entrepreneurial venture.	0.206	0.001
The more the economy is developed, the more entrepreneurship will take place.	0.222	0.000
Countries that are economically developed are more entrepreneurial.	0.189	0.002

The variable of economic development as independent variable has a total of seven items. After the bivariate test, it was realised that only six items have the required correlation value of above *0.005*, paired with a par value of between *0.000* and *0.033,* as reflected in Table 7.15 above. The interpretation is that there is relationship between the independent variable of economic development and the dependent variable of entrepreneurial intentions, and this independent variable is statistically significant.

This finding came as a surprise, as throughout the literature review the researcher did not find information to support or to deny the existence of the relationship between the two variables. However, through the number of items supporting the variable, the current study has found that a strong relationship does exist between the two. The researcher is therefore pleased to have enriched the literature in this regard, and recommends further research concerning this hypothesis.

Table 7.16: Correlation between employment and entrepreneurial intentions		
Item	**Pearson Correlation**	**"p" value**
I know of people who chose an entrepreneurial career despite being employed.	0.251	0.000
Some entrepreneurs acquired entrepreneurial skills from the workplace.	0.235	0.000
I would choose self-employment over being employed.	0.571	0.000

The independent variable of employment has eight as the total number of items. The bivariate test has revealed that only three items have the required correlation value of above *0.005*, paired with a par value of *0.000* for all three items. This suggests that there is a relationship between the independent variable of employment and the dependent variable of entrepreneurial intentions.

Generally, the literature concerning the way through which unemployment supports or drives people into entrepreneurship is plentiful. Through the current study, the researcher discovered that many business founders stated that during the recession they opted to found their own businesses in order to avoid unemployment. Similarly, Keong (2008:54) posited that many studies conclude that high proportions of nascent entrepreneurs are among the unemployed. Clearly, these statements are contradictory to this finding. It can be argued that people develop ideas and methods of establishing and running businesses while they work.

Table 7.17: Correlation between self-efficacy and entrepreneurial intentions		
Item	**Pearson Correlation**	**"p" value**
When I try hard enough, I can always manage to solve difficult problems.	0.252	0.000
In demanding situations, I can usually think of solutions.	0.199	0.001
In demanding situations, I can always make decisions.	0.182	0.003
No matter what comes my way, I am able to handle it.	0.254	0.000
I can rely on my ability to solve problems.	0.243	0.000
I believe in my creativity.	0.333	0.000
I can get people to agree with me.	0.217	0.000
I possess leadership qualities.	0.143	0.022

The independent variable of self-efficacy has a total of nine items. The bivariate test showed that only eight have the required correlation value of above *0.005*, paired with a par value of between *0.000* and *0.022*. This means that there is a strong relationship between the independent variable of self-efficacy and entrepreneurial intentions. This also suggests that the independent variable is statistically significant.

Self-efficacy is considered a cornerstone of entrepreneurial behaviour, hence these results are important and worth interpretation. It is by self-efficacy that one can judge how well the entrepreneur will cope with the challenges of running a venture. The European Commission (2012:49) defines self-efficacy as the belief in one's ability to perform certain activities successfully. This finding matches the hypothesis that self-efficacy enhances entrepreneurship intents. Furthermore, the findings correlate with Bandura *et al*. (2001) (see Section 3.3.4.1 of the current study) who argued that self-efficacy is one of a variety of socio-cognitive influences on career aspirations among children, and that they influence

the development of both entrepreneurial career intentions and subsequent actions.

7.5. MULTIVARIATE ANALYSIS OF RELATIONSHIPS BETWEEN VARIABLES, AND INTERPRETATION

Multivariate analysis is an advanced statistical test to check, among the independent variables, those that influence the dependent variable the most. Statisticians believe that to be significant, Adjusted R-Square must be greater than 0.05 (>5%) and have a par value of less than 0.05 (<5%).

After the establishment of the relationships between the independent variable (social factors, cultural factors and socio-economic factors) and dependent factors (self-efficacy and entrepreneurial intentions) among entrepreneurship students in the universities of the Western Cape, it was necessary to identify factors determining entrepreneurial intentions among those respondents, and this could only happen with the use of the regression analysis.

A regression analysis is an attempt to describe the dependence of a variable on one or more explanatory variables; it implicitly assumes that there is a one-way causal effect from the explanatory variable(s) to the response variable, regardless of whether the path of effect is direct or indirect. This section determines what factors of the independent variables significantly contribute to the dependent variables of the study. At this stage, it is necessary to refer to the research model again.

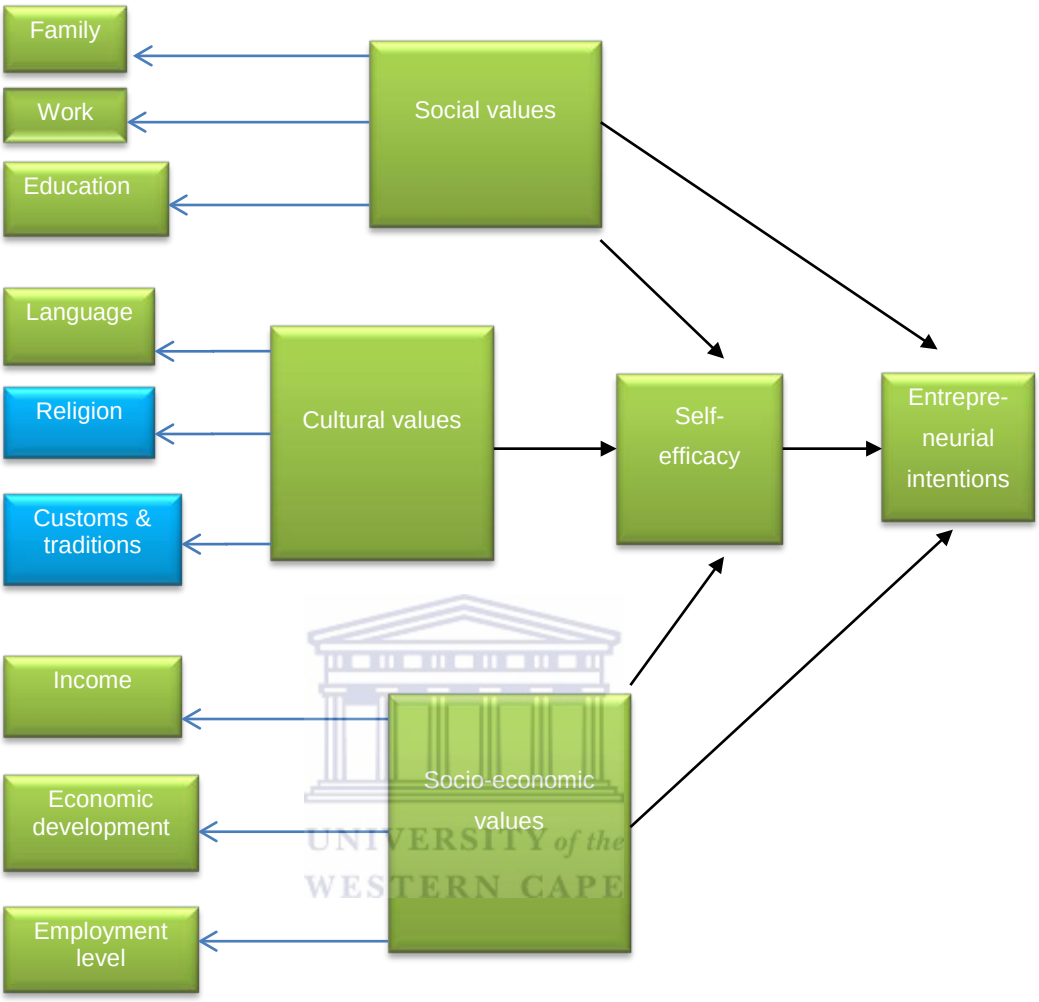

Figure 7.1: Diagram of variables and constructs' relationships (Research Model, also depicted as Figure 1.1)

7.5.1. Parents'/guardians' work and self-efficacy

In order to establish the level of relationship between these two variables, regression analysis was conducted to determine the items that contribute to self-efficacy, and the extent to which those items influence the dependent variable of self-efficacy.

Table 7.18: Regression between parents' work and self-efficacy						
		Unstandardised coefficients		Standardised coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.046	.199		15.270	.000
	I often observe my parents/guardians performing their work.	.034	.035	.069	.975	.331
	I believe in the importance of the role models in my society.	.160	.045	.270	3.566	.000
	I regard my parents/guardians as my role models.	-.050	.048	-.090	-1.040	.299
	I regard other family members as my role models.	.094	.037	.186	2.501	.013
	I aspire to exercise the same professions as my parents.	.000	.032	-.001	-.012	.991
	I regard my parents'/guardians' work as honorific.	-.036	.032	-.076	-1.123	.262
	I believe that my parents'/guardians' work has made them financially stable.	.102	.045	.203	2.240	.026
	I aspire to achieve the same financial successes as my parents/guardians.	-.021	.035	-.053	-.588	.557
Dependent Variable: Self-efficacy						

The results provided by logistic regression concerning parents'/guardians' work indicate a statistical significance with *p=0.000<0.05*, while the model summary indicates *0.146>0.05* log, meaning that the model fits the data. Considering the individual items in Table 7.18, it is noticeable that having a role model in society is a significant factor. It positively influences the parents' work, and therefore the parents' work variable increases the chances of self-efficacy among entrepreneurship students in the universities of the Western Cape.

This finding correlates with what Birley and Westhead (1994) observed – that having role model in societies is a significant factor for wanting to venture into business. Similarly, Mattews and Moser (1995) argued that having self-employed parents tends to be of crucial importance as they serve as mentors and guides for children starting their own businesses. In the same vein, Scherer *et al*. (1989) maintained that observing other people, referred to as role models, can be one of the wonderful ways through which learning can take place. These role models can be anybody who is in the individual surroundings, such as family members (parents, guardians), employers, teachers or anybody else the individual has an opportunity to observe (Sexton & Smilor, 1986).

Another item that has an impact on self-efficacy is how parents' work makes them financially stable. This item has a par value of *0.026<0.05*. This means that the item has a positive relationship with parents' work; therefore, the parents' work variable increases the probability for entrepreneurship students to be self-confident in their entrepreneurial intentions.

Generally, many children and students aspire to earning good money and to being financially independent and stable. Hence, students whose parents are well-off will emulate those parents to secure a stable life. In those conditions, parents would have served as the role models for their children.

Table 7.19: Regression between parents' work and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.906	.260		11.159	.000
	I often observe my parents/guardians performing their work.	.113	.046	.181	2.447	.015
	I believe in the importance of the role models in my society.	.157	.059	.211	2.673	.008
	I regard my parents/guardians as my role models.	.000	.063	.000	.002	.998
	I regard other family members as my role models.	.027	.050	.042	.541	.589
	I aspire to exercise the same professions as my parents.	-.001	.042	-.002	-.032	.974
	I regard my parents'/guardians' work as honorific.	-.045	.042	-.074	-1.056	.292
	I believe that my parents'/guardians' work has made them financially stable.	.027	.059	.043	.464	.643
	I aspire to achieve the same financial successes as my parents/guardians.	-.042	.046	-.086	-.922	.357
Dependent Variable: Entrepreneurial Intentions						

The regression analysis was conducted between variables of parents' work and entrepreneurial intentions to determine which items of the independent variable have the most influence on the dependent variable of entrepreneurial intentions. The model summary of this variable shows an Adjusted R- Square of *0.070>0.05*, and a par value of *0.002<0.05*. This means that the model fits the data. From Table 7.19 above, it is remarkable that the item of observing parents performing their work increases the chances of entrepreneurial intentions among entrepreneurship students with its par value of less than *0.05*.

Another item that increases the chances of entrepreneurial intentions is that of a role model in society. From the regression analysis, this item scored a par value of *0.008<0.05*. This finding correlates with the finding in the previous variable, where the item of role model was also identified as a contributor to the student's self-efficacy.

Concerning these findings, the same justifications as above apply and, generally, they correlate with the real life situation, where many people tend to follow top achievers who they see around them. As these people constitute their benchmark, individuals will easily be able to measure their successes by comparing themselves against those they regard as their role models or mentors.

The results provided by the regression analysis concerning the parents' education indicate a statistical significance with *p=0.101>0.05*, while the model summary indicates *0.000<0.05*, meaning that the model fits the data. Considering the individual items in the table, we observe how parents' understanding of the importance of education is a strong factor which positively correlates with the variable of education. This translates that education as a variable of the study does increase the chances of self-efficacy among entrepreneurship students becoming self-sufficient and confident in their journey to becoming entrepreneurs.

7.5.2. Parents' education and self-efficacy

Table 7.20: Regression between parents' education and self-efficacy						
Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.322	.184		18.043	.000
	My parents/guardians are educated (post-matric).	-.002	.034	-.005	-.064	.949
	Parents'/guardians' education inspire their children.	-.067	.042	-.137	-1.581	.115
	My parents/guardians understand the importance of education.	.313	.075	.502	4.175	.000
	My parents always encourage me to improve my education.	-.148	.069	-.254	-2.154	.032
	My parents'/guardians' education is an inspiration to me	.031	.040	.069	.770	.442
	I aspire to have education as my parents/guardians did.	.020	.036	.049	.555	.579
	My parents'/guardians' success is owed to education.	.055	.038	.129	1.447	.149
Dependent Variable: Self-efficacy						

Another item that influences the self-efficacy, as shown by Table 7.20 above, is the parents' encouragement of their children to improve their

qualifications. This item has *p=0.032<0.05* and therefore it slightly increases the chances among students to become more confident about undertaking an entrepreneurial venture.

The literature review has revealed that parents' education is not a major factor in influencing children to become entrepreneurs. The justification was that the more educated the parents might be, the less likely they are to start a business, as they rely on their educational level to secure good paying employment and positions, thereby turning their backs on entrepreneurship. This being the case, children growing up in those families will also be oriented toward employment-seeking rather than self-employment (Luiz & Mariotti, 2011:58). Furthermore, this finding correlates with Keong's (2008:50) claim that the more educated people are, the less likely they are to act as entrepreneurs.

The current study has reached almost similar results, as only two items out of seven, with low correlation coefficients of *0.000* and *0.032*, were proven to have a positive correlation with the variable of parents' education. This finding seems to fit the general trend that educated parents want to motivate their children towards acquiring education. Understandably, most of these parents know very little about entrepreneurship, which justifies their advice to their children.

7.5.3. Parents' education and entrepreneurial intentions

Table 7.21: Regression between parents' education and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.904	.231		12.560	.000
	My parents/guardians are educated (post-matric).	-.101	.043	-.196	-2.358	.019
	Parents'/guardians' education inspires their children.	.067	.052	.113	1.297	.196
	My parents/guardians understand the importance of education.	.141	.094	.181	1.499	.135
	My parents always encourage me to improve my education.	.029	.086	.040	.342	.733
	My parents'/guardians' education is an inspiration to me.	.090	.050	.161	1.801	.073
	I aspire to have education as my parents/guardians did.	.018	.045	.036	.397	.692
	My parents'/guardians' success is owed to education.	-.026	.048	-.049	-.544	.587
Dependent Variable: Entrepreneurial intentions						

The regression analysis between education and entrepreneurial intentions reveals that the test of model coefficients was significant at *p=0.000<0.05* and the model summary indicated *0.074>0.05*. This means the model fits the data. Looking at Table 7.21 above, the output shows that only one item with *p=0.019<0.05* qualifies to have an impact on entrepreneurship students' entrepreneurial intentions. This means that the independent variable of parents' education slightly increases the chances of entrepreneurial intentions among their children. This finding correlates with Luiz and Mariotti (2011:58) who found in their study on the perception of entrepreneurship in an emerging and culturally diverse economy, namely South Africa, that education as a component of social values of students may not hugely influence how their children perceive entrepreneurship. They pointed out that the more educated the parents, the less likely they are to start their own businesses, thereby not transmitting the legacy of entrepreneurship to their progeny.

7.5.4. Language and self-efficacy

Table 7.22: Regression between language and self-efficacy

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.316	.229		14.506	.000
	A poor language skill is an obstacle to entrepreneurship.	-.042	.033	-.082	-1.278	.202
	The language we speak at home is the same as the language we use at school.	.035	.031	.090	1.137	.257
	There is sufficient entrepreneurship information available in my home language.	.000	.038	.001	.007	.994

	There are many people who speak my home language and who are entrepreneurs.	-.041	.044	-.076	-.931	.353
	The understanding of the language facilitates social and economic integration and productivity.	.126	.052	.190	2.394	.017
	The stronger the communication skills of an entrepreneur, the more confident he will be.	.205	.063	.292	3.233	.001
	The stronger the communication skills of the entrepreneur, the easier it becomes to penetrate a mainstream market successfully.	-.083	.058	-.123	-1.434	.153
Dependent Variable: Self-efficacy						

The results provided by the regression analysis concerning the variable of language indicate a statistical significance with a model summary of *0.080>0.05*, while the "p" value indicates *0.000<0.05*, meaning that the model fits the data. Table 7.22 above shows how language is an important factor to positively influence the self-efficacy among entrepreneurship students. The item about the understanding of the language facilitates social and economic integration and productivity, and so does the item about the stronger the communication skills of the entrepreneur; both have a positive relationship with the variable of language, which means this variable influences entrepreneurship students in becoming self-confident.

These items had *p=0.017* and *0.001* respectively, and this means that the variable of language increases the chances of self-efficacy among entrepreneurship students. This finding also correlates with what Levent *et*

al. (2003) said: “If communication is stronger, the entrepreneur has a higher level of confidence to seek capital from banks and other financial institutions, rather than relying on co-ethnic capital”. However, the fact that Altinay (2008:118) confirmed that the availability of information in a language that one speaks fluently is a major boost for entrepreneurial initiatives is not supported by the finding of the current study.

This finding that language supports self-efficacy was an expected one because it is widely recognised that the ability to communicate effectively, good command of language, as well as the possession of articulation skills make people confident in almost all their undertakings.

7.5.5. Language and entrepreneurial intentions

Table 7.23: Regression between language and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.737	.279		9.817	.000
	A poor language skill is an obstacle to entrepreneurship.	.009	.040	.014	.227	.821
	The language we speak at home is the same as the language we use at school.	-.015	.038	-.031	-.395	.693
	There is sufficient entrepreneurship information available in my home language.	-.040	.046	-.073	-.864	.389
	There are many people who speak my home language and who are entrepreneurs.	-.057	.053	-.086	-1.077	.282

	The understanding of the language facilitates social and economic integration and productivity.	.062	.063	.076	.983	.327
	The stronger the communication skills an entrepreneur has, the more confident he will be.	.201	.077	.232	2.589	.010
	The stronger the communication skills the entrepreneur has, the easier it becomes to penetrate the mainstream market successfully.	.091	.071	.110	1.293	.197
a. Dependent Variable: Entrepreneurial intentions						

The regression analysis conducted between these two variables was to determine which items of the independent variable (language) most influence the dependent variable of entrepreneurial intentions. The model summary of this variable shows an Adjusted R- Square of *0.090>0.05*, and a par value of *0.000<0.05*. This means that the model fits the data.

From Table 7.23 above, it is clear that the item of "The stronger the communication skills an entrepreneur, the more confident he will be" has a positive relationship with the variable of language and, therefore, the language variable increases the chances of entrepreneurial intentions among entrepreneurship students with its par value of less than *0.05*. This finding is relevant as it correlates with the finding in the previous variable, where the same item was proven to have a significant contribution to the student's self-efficacy. Altinay (2008:116) posited that previous researches

have shown that people become convinced about their entrepreneurial behaviour if they are confident about their level of skills to take the venture forward to success. The finding of the current study confirms Altinay's statement. Furthermore, Altinay (2008:116) articulated that Levent *et al*. (2003) conducted a study on attitudes and behaviours of Turkish females in Amsterdam, and observed that poor language skills are an obstacle to entrepreneurship. In their view, the ability to communicate with others in a host country language is an important factor, which results in social and economic integration and productivity.

Cultural attributes of the entrepreneur, including education, language and religion, play an important role in developing entrepreneurial abilities and contributing to the survival of the entrepreneur's business [Altinay & Altinay (2006), Basu & Altinay (2002), Basu & Goswami (1999), and Casson (1991)].

7.5.6. Religion and self-efficacy

Table 7.24: Regression between religion and self-efficacy

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	3.947	.162		24.333	.000
	Religion is the main instrument to shape all the norms in my society.	.057	.035	.122	1.633	.104
	Religion is a barrier to the business initiatives in my society.	.040	.059	.075	.680	.497
	Religion is a barrier to the business growth in my society.	-.098	.064	-.183	-1.532	.127
	Religion constitutes a barrier to capital access in my society.	.064	.053	.120	1.216	.225

	My religion allows me to perform entrepreneurial activity.	.028	.033	.063	.864	.388
	Our family religious beliefs have helped some family members to become entrepreneurs.	-.078	.041	-.166	-1.881	.061
	Our family beliefs facilitate business networking.	.046	.041	.090	1.101	.272
Dependent Variable: Self-efficacy						

In order to establish the relationship between religion and self-efficacy, regression analysis was conducted, and results show the model coefficients of *0.006<0.05*, while the model summary indicates *0.296>0.05*. This means that the model does fit the data.

Investigating the individual items in the table, there is no single item that fits the model, meaning that this variable of religion does not increase the chances of self-efficacy among entrepreneurship students. This finding can be interpreted in the context that Metcalf, Moddod and Virdee (1996) put their argument – that religion can be a barrier to business growth – which helped them to justify why Indians are more successful business people than their Pakistani counterparts, who rely heavily on the influence of religion which prohibits the payments of interest rates, among other issues.

7.5.7. Religion and entrepreneurial intentions

Table 7.25: Regression between religion and entrepreneurial intentions						
Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	3.130	.192		16.309	.000
	Religion is the main instrument to shape all the norms in my society.	.067	.041	.117	1.629	.105
	Religion is a barrier to the business initiatives in my society.	.053	.071	.080	.743	.458
	Religion is a barrier to the business growth in my society.	-.047	.076	-.072	-.615	.539
	Religion constitutes a barrier to capital access in my society.	.047	.063	.073	.757	.450
	My religion allows me to perform entrepreneurial activity.	.041	.039	.075	1.068	.287
	Our family religious beliefs have helped some family members to become entrepreneurs.	-.016	.048	-.029	-.338	.736
	Our family beliefs facilitate business networking.	.094	.049	.152	1.907	.058
Dependent Variable: Entrepreneurial intentions						

The regression analysis conducted between the variable of religion and entrepreneurial intentions has revealed the model coefficient of *0.011<0.05*, with the model summary indicating *0.045<0.05*. This model

does not fit the data. Furthermore, Table 7.25 does not show any single item that fits in the model, as all the items have a *p>0.05.* This means that there is no positive impact on the independent variable of religion, and consequently, this variable does not increase the chances of entrepreneurial intentions among entrepreneurship students.

This finding correlates with the fact that the literature review did not present a strong argument about this variable as being an important influencer of entrepreneurial intentions, which is an inverse argument to what Williamson *et al*. (2007:57) believe in, namely that religion, as a discrete influencer, is considered to be a primary contributor to the shaping of societal norms and people continue to rely on it.

However, following what Basu and Altinay (2002) said, it can be argued that religion as an entrepreneurship influencer is specific to some environments. They articulated that some Muslim entrepreneurs, including Turkish entrepreneurs, are sensible businessmen who realise that relying on bank borrowings to start a business is an acceptable way. From this argument, but contrary to the findings of the current study, it can be confirmed that religion is able to influence other aspects of human behaviour beyond the sphere of the sacred.

7.5.8. Customs and traditions

Table 7.26: Regression between customs/traditions and self-efficacy						
Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	2.962	.225		13.181	.000
	In our customs and traditions, we learn about life skills such as self-reliance.	.111	.043	.176	2.566	.011
	In our customs and traditions, we learn about entrepreneurial skills.	.005	.050	.009	.098	.922
	In our customs and traditions, we exercise entrepreneurial behaviour.	.042	.047	.075	.885	.377
	In our tradition, we like to implement our own ideas.	.120	.045	.199	2.677	.008
	In my traditions, women are still excluded from important economic positions.	-.023	.033	-.048	-.693	.489
	Female family headship is an entrepreneurship hindrance in my society	.040	.033	.083	1.201	.231
	There is no gender-based separation of work in my society.	.031	.031	.061	.998	.319
Dependent Variable: Self-efficacy						

The regression analysis between the independent variable of customs/traditions and the dependent variable of self-efficacy has shown that the test of model coefficients was significant at *p=0.000<0.05* and the model summary indicated *0.127>0.05*. This means the model fits the data. Considering the individual items in the table above, two items with *p=0.011* and *0.008* are considered to have an impact on entrepreneurship students' self-efficacy. Since these items of the variable have a positive influence, it means that the variable of customs and traditions increases the chances of self-efficacy among entrepreneurship students.

This finding is totally opposed to what the literature review found – that female entrepreneurs perceive being female, along with social roles and relations associated with it, to make their entrepreneurial venture more difficult than that of their male counterparts, and this would discourage them, while turning other females away from the business venture initiatives. This is the case in Vietnam for instance, where women occupy subordinate economic roles, while men make all the important decisions (Hampel-Milagrosa *et al*., 2010).

In many parts of the world, tradition plays a major role in determining the behaviour of the people. In those societies, members are mobilised to be self-reliant and confident in their undertakings, including entrepreneurship. Despite the claim of Hampel-Milagrosa *et al*. (2010) in the previous paragraph, the current study has reached results that support this claim.

7.5.9. Customs/traditions and entrepreneurial intentions

Table 7.27: Regression between customs/traditions and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.085	.288		10.721	.000

	In our customs and traditions, we learn about life skills such as self-reliance.	.072	.054	.094	1.331	.184
	In our customs and traditions, we learn about entrepreneurial skills.	-.138	.062	-.199	-2.216	.028
	In our customs and traditions, we exercise entrepreneurial behaviour.	.176	.059	.257	2.980	.003
	In our tradition, we like to implement our own ideas.	.036	.057	.048	.638	.524
	In my tradition, women are still excluded from important economic positions.	.006	.042	.010	.135	.893
	Female family headship is an entrepreneurship hindrance in my society.	.118	.043	.195	2.766	.006
	There is no gender-based separation of work in my society.	-.023	.040	-.036	-.576	.565
Dependent Variable: Entrepreneurial intentions						

The regression analysis conducted between these two variables showed that the model summary of this variable shows an Adjusted R- Square of *0.058>0.05*, and a par value of *0.003<0.05*. This means that the model fits the data.

From Table 7.27 above, there are three items that have a positive impact on the variable of customs and traditions. Those are “learning about entrepreneurial skills, exercising of entrepreneurial behaviour and female family headship being a hindrance to entrepreneurship”, with *p=0.028, 0.003* and *0.006* respectively. This finding is important and it reveals that the variable of customs and traditions increases the chances of entrepreneurial intentions among entrepreneurship students.

The literature review did not supply enough information about the extent to which customs and traditions influence entrepreneurial intentions. This finding is therefore important and it may be considered as a pioneering finding in this area, especially in the South African environment where the need to raise entrepreneurship is gaining momentum. Furthermore, this is quite an enriching finding in South Africa, a country that is believed to have many societies that are bound by their traditions. If entrepreneurship is made one of their living styles, there could be hope that it would be taken to the next level.

7.5.10. Income and self-efficacy

Table 7.28: Regression between income and self-efficacy

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.532	.435		5.824	.000
	The level of income in the family stimulates entrepreneurial initiatives.	.059	.039	.106	1.491	.138
	I think of entrepreneurial initiatives because there is enough income to capitalise them.	-.025	.040	-.044	-.620	.536

	Members of families with a high income are not motivated to behave entrepreneurially.	-.032	.036	-.061	-.872	.384
	People without sufficient income are motivated to behave entrepreneurially.	.032	.039	.059	.822	.412
	If I had a job with a high income, I would save for my entrepreneurial venture.	.045	.057	.068	.795	.427
	I would use my high income to open a business venture.	.029	.064	.043	.456	.649
	I know people who used their income to open up business ventures.	.225	.048	.350	4.661	.000
	Monthly income	.010	.011	.060	.904	.367
	Do you intend to open up a business?	-.040	.294	-.009	-.136	.892
	If you intend opening up a business, when?	.106	.051	.138	2.055	.041
Dependent Variable: Self-efficacy						

The regression analysis between income as independent variable and self-efficacy has shown that the model coefficients were significant at *p=0.001<0.05*, while the model summary indicated *0.072>0.05*. This means that the model fits the data. Considering the individual items in the table, the following items meet the criteria of having an impact on the dependent variable:

i) I know people who used their income to open up business ventures, and

ii) the time within which respondents are envisaging starting up their businesses,

as they have a par value of *0.000* and *0.041* respectively. This means that the variable of income increases the chances of self-efficacy among entrepreneurship students.

Studies conducted about the role of income in enterprise formation have revealed mixed opinions, depending on whether respondents come from a poor or rich background. Luiz and Mariotti (2011:60) observed that those students from richer backgrounds are confident of finding jobs in bigger companies, or opening an innovative business if they are to open one, while those from poorer backgrounds think of a more basic business. Therefore, the finding of low correlation between income and self-efficacy correlates with the findings of the previous researchers, who did not find any significant relationship between the two variables.

7.5.11. Income and entrepreneurial intentions

Table 7.29: Regression between income and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.905	.380		7.644	.000
	The level of income in the family stimulates entrepreneurial initiatives.	.053	.034	.106	1.531	.127
	I think of entrepreneurial initiatives because there is enough income to capitalise them.	.008	.035	.016	.232	.817
	Members of families with high income are not motivated to behave entrepreneurially.	-.005	.032	-.011	-.157	.875

	People without sufficient income are motivated to behave entrepreneurially.	.044	.033	.091	1.309	.192
	If I had a job with a high income, I would save for my entrepreneurial venture.	.057	.049	.094	1.155	.249
	I would use my high income to open a business venture.	.162	.056	.261	2.911	.004
	I know people who used their income to open up business ventures.	.041	.042	.070	.967	.335
	Monthly income	.011	.010	.072	1.111	.268
	Do you intend to open up a business?	-.123	.258	-.030	-.478	.633
	If you intend opening up a business, when?	-.119	.045	-.169	-2.610	.010
Dependent Variable: Entrepreneurial intentions						

With the use of the logistic regression analysis, the items of the income variable influencing the entrepreneurial intentions were identified. The fitness of this model was individually checked, and the output revealed that the model fits the data, since the omnibus test of model coefficients indicates *p=0.000<0.05,* while the summary model indicates *0.249*.

Looking at the individual items in Table 7.29 above, the item of using high income to open up a business venture was found significant with a *p=0.004<0.05.* This means that this item contributes positively to the variable of income and, consequently, the variable slightly increases the chances of entrepreneurial intentions among students.

The literature has also revealed a similar tendency as Luiz and Mariotti (2011:60) argued that students from lower incomes find entrepreneurship as a necessity consequent to their inability to secure employment. However, it was the researcher's view that a positive correlation between

these two variables exists, hence the hypothesis that “Income stimulates entrepreneurship intentions”. The number of items that support this hypothesis is lower than predicted, and the possible reasons could be that many respondents came from a poor or lower income background, and therefore could not rely on a non-existent income to undertake entrepreneurial ventures.

The second reason could be that many students understand that people do not necessarily start businesses with their own money.

7.5.12. Economic development and self-efficacy

Table 7.30: Regression between economic development and self-efficacy

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.987	.254		11.754	.000
	The level of economic development stimulates entrepreneurial thinking.	.084	.060	.126	1.402	.162
	The level of economic development offers opportunities for entrepreneurial initiatives.	.021	.068	.029	.303	.762
	The level of economic development provides a framework for businesses to flourish.	.070	.055	.102	1.271	.205
	The current economic development is conducive to the establishment of an entrepreneurial venture.	.008	.045	.011	.167	.867

	The more economy is developed, the more entrepreneurship will take place.	.084	.054	.126	1.556	.121
	Countries that are economically developed are more entrepreneurial.	.009	.045	.015	.190	.850
	A lower level of economic development stimulates entrepreneurial initiatives.	.031	.035	.055	.884	.378
Dependent Variable: Self-efficacy						

The regression analysis between the independent variable of economic development and the dependent variable of self-efficacy has shown the that the test of model coefficients was significant at *p=0.001<0.05* and the model summary indicated *0.072>0.05*. This means the model fits the data. Considering the individual items in Table 7.30 above, there is no single item that shows an influence on the variable, and this means that the variable of economic development does not increase the chances of self-efficacy among the students.

It is important to report that, during the literature search, the researcher did not come across information about the role of economic development towards self-efficacy. The regression analysis of the current study reached similar results, and it can therefore be concluded that the variable of economic development does not have any impact on the self-efficacy of entrepreneurship students.

From the researcher's perspective, this finding came as a surprise. One would expect that if the economy grows, entrepreneurial-minded people would become more confident about venture creation, because conditions seem to be favourable from the activity. Unfortunately, this is not what the

current study has revealed. The interpretation of this is therefore that some of the respondents (many of them first and second year students) might not be very well informed about the role of economic development in the country, and subsequently about the impact it can have on the minds of people who aspire to be entrepreneurs.

7.5.13. Economic development and entrepreneurial intentions

Table 7.31: Regression between economic development and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	2.550	.299		8.530	.000
	The level of economic development stimulates entrepreneurial thinking.	.118	.071	.150	1.675	.095
	The level of economic development offers opportunities for entrepreneurial initiatives.	-.013	.080	-.016	-.164	.870
	The level of economic development provides a framework for businesses to flourish.	-.044	.065	-.055	-.688	.492
	The current economic development is conducive to the establishment of an entrepreneurial venture.	.123	.053	.155	2.303	.022
	The more the economy is developed, the more entrepreneurship will take place.	.097	.063	.123	1.533	.127
	Countries that are economically developed are more entrepreneurial.	.042	.053	.062	.785	.433

	A lower level of economic development stimulates entrepreneurial initiatives.	.037	.041	.055	.886	.376
Dependent Variable: Entrepreneurial Intentions						

By means of logistic regression analysis, the items that contribute more to the economic development have been identified. Firstly, the fitness of the model was checked, and the output showed that the model coefficients *p=0.000>0.05,* with the model summary, indicated *0.249>0.05*.

By analysing the individual items in the table, the item stating that the current economic development is conducive to the establishment of an entrepreneurial venture was found to be significant, with *p=0.022<0.05.* This means that this item has a positive relationship with the variable, and therefore the variable increases the chances of entrepreneurial intentions among students. With very few details, Mueller *et al*. (2002) posited that factors such as culture, level of economic development of the country, and political and economic traditions of the country impact on entrepreneurial attributes. Besides this statement, the literature does not have sufficient data and information concerning the role of economic development in enhancing entrepreneurial intentions, and the current study reached the same results.

Concerning the relationship between economic development and entrepreneurial intentions, the justification from the previous variable applies. Given the findings about the variable of economic development, as well as its relationship with self-efficacy and entrepreneurial intentions, this variable will not feature on the figure that suggests the entrepreneurial intentions among the respondents of this study.

7.5.14. Employment level and self-efficacy

Table 7.32: Regression between employment level and self-efficacy						
Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.903	.280		6.801	.000
	The level of employment stimulates entrepreneurial initiatives.	.067	.040	.103	1.672	.096
	I know of people who chose an entrepreneurial career despite being employed.	.127	.039	.196	3.246	.001
	The higher the employment level, the higher the entrepreneurial behaviour.	-.011	.036	-.018	-.302	.763
	The lower the employment level, the higher the entrepreneurial initiatives.	.022	.038	.035	.596	.552
	The level of employment has a positive impact on entrepreneurial initiatives.	.088	.045	.120	1.938	.054
	Some entrepreneurs acquire entrepreneurial skills from the workplace.	.209	.047	.269	4.459	.000
	I would choose self-employment over being employed.	.049	.034	.084	1.437	.152
	The level of employment in my region is high.	.031	.029	.062	1.097	.274
Dependent Variable: Self-efficacy						

The regression analysis between employment level (independent variable) and self-efficacy (dependent variable) was conducted to determine which items from Table 7.32 have more influence on the variable of employment. The output shows that the model summary indicates *p=0.233>0.05* with the model coefficient indicating *p=0.000<0.05.* This means that the model fits the data.

Table 7.32 above shows that the item about people choosing an entrepreneurial career despite being employed is significant with *p=0.001.* This means that this item has a positive impact on the independent variable of employment level and, therefore, this variable increases the chances of self-efficacy among students.

Another significant item is that some entrepreneurs acquire entrepreneurial skills from their workplace. This item has a *p=0.000<0.05,* meaning that it influences the variable of employment level. Consequently, this confirms that this variable increases the chances of self-efficacy among students. The literature has mentioned a similar statement, namely that some people gain entrepreneurial skills or resign from work to start up their own businesses, while taking advantage of their work experience (Khosa & Kalitanyi, 2014).

It is believed that self-efficacy can have various sources, among them the employment of individuals. The performance that one displays at work can be a confidence boost about performing better even in different circumstances. Therefore, entrepreneurs can build up their confidence from work and hope to translate work performance in their own endeavours.

7.5.15. Employment level and entrepreneurial intentions

Table 7.33: Regression between employment level and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.738	.306		5.682	.000
	The level of employment stimulates entrepreneurial initiatives.	-.068	.044	-.089	-1.544	.124
	I know of people who chose entrepreneurial career despite being employed.	.075	.043	.099	1.761	.079
	The higher the employment level, the higher the entrepreneurial behaviour.	.027	.039	.039	.696	.487
	The lower the employment, the higher the entrepreneurial initiatives.	.040	.041	.053	.967	.334
	The level of employment has a positive impact on entrepreneurial initiatives.	.038	.049	.045	.770	.442
	Some entrepreneurs acquired entrepreneurial skills from the workplace.	.097	.052	.107	1.887	.060
	I would choose self-employment over being employed.	.342	.037	.506	9.197	.000
	The level of employment in my region is high.	-.014	.031	-.025	-.463	.643
a. Dependent Variable: Entrepreneurial intentions						

The results provided by the regression analysis concerning employment level and entrepreneurial intentions indicate a statistical significance with *p=0.000<0.05,* while the model summary indicates *0.318>0.05*, meaning that the model fits the data.

Table 7.33 above shows how significant the item "I would choose employment over being employed" is. With its model coefficient of *0.000*, it shows that this item has a positive impact on the variable of employment level and, therefore, this variable increases the chances of entrepreneurial intentions among entrepreneurship students.

This finding clarifies the earlier argument by Nijkamp *et al*. (2006:144) that studies conducted on the role of employment towards the firm's establishment reveal ambiguous impacts on start-up rates across the regions or states of the European Union. Therefore, this argument was actually against the researcher's expectations. This researcher's expectations were, however, cemented by Keong (2008:54) who posited that during a recession period, many people opt for business formation in order to escape unemployment and poverty.

At work, a number of factors can motivate individuals to shape their entrepreneurial intentions. The profit the business makes, the independence of the entrepreneur, the flexi work hours they enjoy, as well as their lifestyle can motivate many employees to think of becoming self-employed. This is what Keong (2008) reported as reasons why people become entrepreneurs in order to be more independent.

7.5.16. Self-efficacy and entrepreneurial intentions

Table 7.34: Regression between self-efficacy and entrepreneurial intentions

Model		Unstandardised coefficients		Standardised coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.469	.306		8.062	.000
	When I try hard enough, I can always manage to solve difficult problems.	.076	.075	.091	1.021	.308
	In demanding situations, I can usually think of solutions.	.015	.084	.017	.179	.858
	In demanding situations, I can always make decisions.	-.013	.076	-.014	-.167	.868
	No matter what comes my way, I am able to handle it.	.091	.070	.107	1.289	.199
	I can rely on my ability to solve problems.	.037	.083	.042	.441	.660
	I am able to manage money.	-.002	.048	-.003	-.044	.965
	I believe in my creativity.	.237	.061	.296	3.915	.000
	I can get people to agree with me.	-.001	.078	-.001	-.016	.987
	I possess leadership qualities.	-.096	.072	-.110	-1.330	.185
a. Dependent Variable: Entrepreneurial intentions						

The regression analysis between self-efficacy and entrepreneurial intentions was conducted to determine the extent to which self-efficacy influences entrepreneurial intentions. The results provided by the regression analysis indicate a statistical significance with $p=0.000<0.05$

while the model summary indicates *0.112>0.05*. This means that the model fits the data.

From Table 7.34 above, the item of “I believe in my creativity” (*p=0.000)* shows a positive relationship with the variable of self-efficacy, and therefore this variable slightly increases the chances of entrepreneurial intentions among entrepreneurship students.

Based on the argument by Bandura (1997) and Bandura (1989) that self-efficacy is a key to determining human agency and has convincingly shown that people with higher self-efficacy for a particular task are more likely to pursue and persist in it, the researcher expected a higher rate of positive response between the two variables. Unfortunately, the variable of self-efficacy did not show a strong correlation with that of entrepreneurial intentions among the respondents. A finding such as this one makes one wonder if the respondents (entrepreneurship students) will ever become entrepreneurs while they do not have a high level of self-efficacy. However, Krueger and Brazeal (1994:94) did argue that “No self-efficacy, no behaviour “.

This finding is again against the affirmation of the European Commission (2012:50) that self-efficacy leads to the false perception of a very low possibility of failure, while it is an important requisite for entrepreneurial actions. Given these findings, the researcher would recommend a further study to confirm or oppose them.

7.6. SUMMARY OF ITEMS AND THEIR CONTRIBUTION TOWARDS INDEPENDENT VARIABLES

After the regression analysis of the findings, it is important to show, in a condensed table, how each item of the instrument supports the dependent variables of self-efficacy and entrepreneurial intentions, after which the researcher can present a suggested model of entrepreneurial intentions among entrepreneurship students that he developed.

Table 7.35: Weight of items towards dependent variables			
Independent variable	**Independent variable**	**Total items**	**Items supporting independent variable**
Parents' work	Self-efficacy	7	3
	Entrepreneurial intentions	7	2
Parents' education	Self-efficacy	7	2
	Entrepreneurial intentions	7	1
Language	Self-efficacy	7	2
	Entrepreneurial intentions	7	1
Religion	Self-efficacy	7	0
	Entrepreneurial intentions	7	0
Customs and traditions	Self-efficacy	7	2
	Entrepreneurial intentions	7	3
Income	Self-efficacy	10	2
	Entrepreneurial intentions	10	2
Economic development	Self-efficacy	7	0
	Entrepreneurial intentions	7	1
Employment level	Self-efficacy	8	2
	Entrepreneurial intentions	8	1
Self-efficacy	Entrepreneurial intentions	9	1

Though the object of the study was not to draw a model of entrepreneurship intentions among students, the researcher found it important, as to contribute to the knowledge about entrepreneurship intentions in South Africa, as well as to lay a foundation for further research in the field. To be able to do that, the researcher investigated at the regression analysis results, and considered a correlation with a higher number of items between dependent and independent variables.

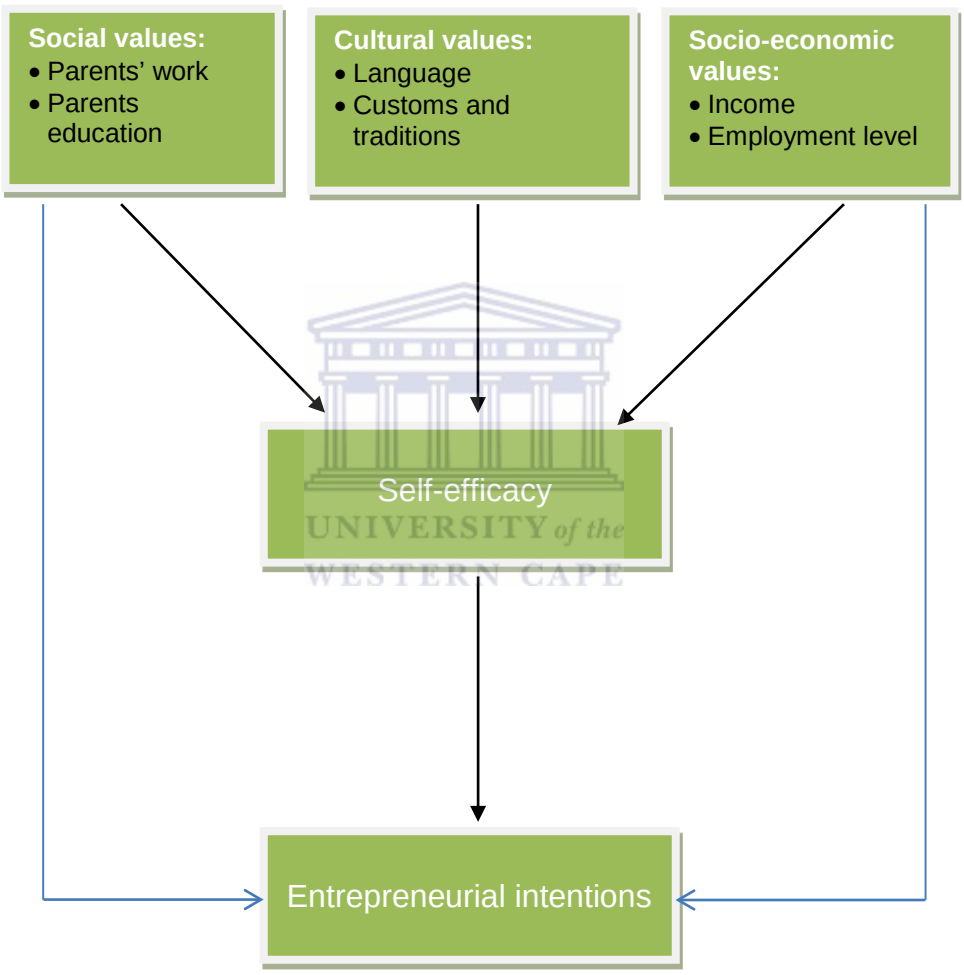

Figure 7.2: Suggested entrepreneurial intentions model among entrepreneurship students

The regression analysis did not show a strong correlation between self-efficacy and entrepreneurial intentions, which is quite opposed to one of hypotheses of the study. This model shows that through parents' work and

education, social values do positively impact of self-efficacy and entrepreneurial intentions among students. Cultural values do impact on self-efficacy and entrepreneurial intentions of university students mostly through language and customs and traditions, while socio-economic values impact on self-efficacy and entrepreneurial intentions mostly through income and employment level. Factors such as religion and economic development do not have as high an impact as the rest of the factors and this is quite similar to what was found in the literature review.

7.7. REVISITING THE RESEARCH HYPOTHESES

The study promised to investigate the relationships between various variables of the research, resumed in the following hypotheses. Hereunder, it is shown how correlation and regression analyses have confirmed six of the seven hypotheses of the study, and how the findings about these hypotheses fit the content of the literature review.

H1: The social factors of entrepreneurship students have a positive influence on their entrepreneurship self-efficacy.

After the bivariate analysis, it was found that both dependent variables of social factors, i.e. parents' work and parents' education, have a positive correlation with self-efficacy. In fact, 13 items out of 14 have confirmed this relationship. Furthermore, five items from the regression analysis further confirmed this positive relationship, leading to the conclusion to accept the hypothesis.

This finding coincides with what Smith-Hunter *et al.* (2003:9) ascertained in their study – that family and community are important factors that influence self-beliefs. It is indeed through self-belief (self-efficacy) that one will become convinced about one's abilities to succeed in the entrepreneurial venture. They posited that Ajzen's Theory of Planned Behaviour of 1991 considers perceived social norms as a crucial factor in entrepreneurial activity, while family and important social contacts, including network members, establish these norms.

H2: The social factors of entrepreneurship students have a positive influence on their entrepreneurial decisions.

A total number of seven items out of 14 revealed the positive relationship between both parents' work, parents' education and entrepreneurial intentions during the bivariate analysis. This positive relationship was further concreted by the regression analysis, during which three items showed a positive relationship, allowing the researcher to accept the hypothesis.

This finding of a positive relationship between these two variables is further validated by the findings of Stanworth and Curran (1989) who asserted that consistent relationships have been established between certain personal background variables on the one hand and entrepreneurial behaviour on the other hand, while in most studies conducted, most of the small business owner-managers have had a self-employed parent. Most of those individuals either intending to or about to start a business have had a parent who has also been in business. This personal background actually has a positive effect on entrepreneurial preparedness, entrepreneurial career expectancy, and desirability of founding a firm (Stanworth & Curran, 1989).

H3: The cultural values of entrepreneurship students have a positive impact on their entrepreneurship self-efficacy.

H3 has also been accepted, because nine items out of 21 showed a positive relationship between the dependent variables of language, religion, customs and traditions against the independent variables of self-efficacy. During the regression analysis, four items confirmed this positive relationship, thereby leading to the acceptance of the hypothesis.

In a similar vein, Vernon-Wortzel and Wortzel (1997) asserted that culture is essential in any discussion about entrepreneurship because it determines the attitudes of people towards the initiation of

entrepreneurship. It is then from an acquired attitude that individuals will engage themselves in an entrepreneurial behaviour with a conviction of succeeding.

H4: The cultural values of entrepreneurship students have a positive impact on their entrepreneurial decisions.

The bivariate analysis found that nine items out of 21 from language, religion, customs and traditions, had a positive relationship with entrepreneurial intentions. The regression analysis further confirmed this positive relationship with four items, leading to the conclusion that this hypothesis be accepted.

In addition to the regression analysis from the current study, other researchers, such as Altinay and Altinay (2006), Basu and Altinay (2002), Basu and Goswami (1999) and Casson (1991), posited that cultural attributes of the entrepreneur, including education, language and religion, play an important role in developing entrepreneurial abilities and contributing to the survival of the entrepreneur's business. This is also true if one considers what Mueller and Thomas (2001) articulated – that culture is an underlying system of values peculiar to a specific group or society which motivates individuals in a society to engage in behaviours that may not be evident in other societies.

H5: The socio-economic factors of entrepreneurship students have a positive influence on their entrepreneurship self-efficacy.

The bivariate analysis of the dependent variables of income, economic development and employment level revealed a positive relationship with the variable of self-efficacy by 17 items out of 25. A further analysis with regression analysis reduced these items to four, keeping the positive relationship between those variables. This shows that the hypothesis is acceptable.

Scholars have argued that self-efficacy can have various sources, including income level, economic development and employment level. Though the current study did not find strong correlation between income and economic development, employment did. Khosa and Kalitanyi (2014) posited that some people gain entrepreneurial skills and confidence, or resign from work to start up their own businesses, while taking advantage of their work experience. The performance that one displays at work can be a confidence booster about performing even better in different circumstances. Therefore, the entrepreneur can build up their confidence from work and hope to translate their work performance in their own endeavours.

H6: The socio-economic factors of entrepreneurship students have a positive influence on their entrepreneurial decisions.

After the bivariate analysis, it was found that the dependent variables of socio-economic values of the students (income, economic development and employment level) had a positive correlation with entrepreneurial intentions. Sixteen out of 25 items confirmed this relationship, while the regression analysis further confirmed this positive relationship with four items, leading to the conclusion to accept the hypothesis.

Reynolds (1997) posited that socio-economic factors that may have an effect on starting up a venture are unemployment levels, employment rate, productive structure and specialisation, among other variables, and studies conducted by other researchers in this field have reached findings that are in line with those of the current study. For example, Nijkamp *et al*. (2006:144) articulated that household wealth and household prices are expected to positively influence entrepreneurial start-ups. Both of these variables measure the potential access to potential financial capital for a new business venture.

H7: Self-efficacy of entrepreneurship students has a positive influence on their entrepreneurial intentions.

The correlation analysis conducted on this hypothesis showed that eight items out of nine had a positive correlation between self-efficacy and entrepreneurial intentions. Regression analysis further showed with one item that there is a positive correlation between both variables, which means that self-efficacy influences entrepreneurial intentions. This led to the conclusion to accept the hypothesis.

This finding is similar to many other findings that have been reached by many researchers. Krueger and Brazeal (1994:94) argued that “No self-efficacy, no behaviour“, while Bandura (1997) and Bandura (1989) posited that self-efficacy is a key to determining human agency and convincingly shows that people with higher self-efficacy for a particular task are more likely to pursue and persist in it.

The empirical results from the study indicate that the association is positive from H1 until H7. This then translates that all the hypotheses of the study have been accepted.

7.8. CHAPTER SUMMARY

This chapter presented both bivariate and multivariate data. It dealt with analysis as well as interpretation of the results from a qualitative perspective. The data presented was drawn from the empirical work in order to test the relationship between independent and dependent variables. The chapter started by showing how reliable the instrument is.

The results of the bivariate test were analysed to check which items correlate with the different independent variables (social, cultural and socio-economic values) of the research model. Furthermore, the chapter presented the results from multivariate tests, and analysed how items best correlate with the independent variables, which allowed the researcher to draw an association with the dependent variables of self-efficacy and

entrepreneurial intentions. To interpret the findings of the empirical study, the researcher compared them with the content of the literature review and based on his knowledge and perspective. This analysis allowed the researcher to suggest a model on entrepreneurial intentions among students in the universities situated in the Western Cape.

Finally, the chapter presented a conclusion that, all the hypotheses of the study were proven to have a positive relationship, and have therefore been accepted. The next chapter concludes the study, during which recommendations and implications are discussed, and indications for further study are formulated.

CHAPTER 8
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

8.1. INTRODUCTION

The main aim of this study was to investigate how social, cultural and socio-economic values shape self-efficacy and entrepreneurial intentions among entrepreneurship students in the universities situated in the Western Cape.

This chapter presents, for various stakeholders, a summary of the major findings and their implications in shaping the discourse around entrepreneurship intentions in South Africa. This chapter also includes discussion on the limitations of the study, its conclusions, as well as the recommendations. As mentioned earlier in the study, the debate about entrepreneurial intentions is very topical, especially in South Africa, where entrepreneurship as a field of study is still in its incubation phase. This study has added its contribution to the debate and it presents its summary in the following paragraphs.

8.2. SUMMARY OF THE STUDY

The choice of the topic was motivated by the insufficient amount of information about what really motivates people to behave entrepreneurially, especially in South Africa. Throughout the study, entrepreneurship was viewed as the process of bringing resources together to undertake an innovative and successful business venture. Research objectives, research questions as well as research hypotheses were formulated and presented in the introductory chapter. The same chapter outlined the major topics of the literature review, namely social values, cultural values, socio-economic values as well as entrepreneurial intentions, and briefly defined them in the context of entrepreneurship. The chosen methodology was presented and a detailed explanation of the sampling method and the survey procedure was provided. The

introductory chapter also presented a brief focus on the content of each chapter.

The context of entrepreneurship education and training in South Africa was presented as the content of Chapter 2. The secondary data on the content of this chapter has shown that there are inconsistencies in the methodologies used, and that the traditional method of teacher-students in a classroom setting still prevails. Furthermore, the literature on entrepreneurship education and training has indicated that some universities in South Africa have been involved in entrepreneurship education as early as in the 1990s, while others started much later, but not all of them have a dedicated department of entrepreneurship. Believing in what Friedrich and Visser (2005) suggest – that training and education in entrepreneurship play a key role in transforming the South African economy from stagnation and jobless growth to that of vibrant and high growth scenario – government, as well as non-profit organisations, have established a number of agencies in order to teach and train entrepreneurship. These agencies, as well as their areas of operations were presented in Chapter 2. The chapter presented an outline of an entrepreneurship module as it is taught at the University of the Western Cape. The literature review in this chapter ends by suggesting educational ways in which to support entrepreneurial culture in South Africa.

Chapter 3 provided literature about the various variables of the study – social, cultural and socio-economic values, as well as self-efficacy. Variables making up the social values (family, parents' work and education) were discussed from local and international perspectives. The same procedure was followed with regard to the cultural values (language, religion and customs and traditions) and all were found to influence self-efficacy and entrepreneurial intentions. For example, Sajjad *et al*. (2012:30) postulated that cultures have different ways of shaping the entrepreneurial intentions and different ways impact on intentions towards perceived feasibility and desirability. Literature on the impact of socio-

economic values on entrepreneurial intentions was also reviewed and provided insight that only two variables (income and employment) do indeed shape the intentions to behave entrepreneurially. The economic development variable was found to influence neither self-efficacy nor entrepreneurial intentions.

The final section of the chapter exposed the role of self-efficacy in underpinning the entrepreneurial intentions. The European Commission (2012:50) posited that self-efficacy helps people to measure how much effort is expected for activity, how long they can persevere when they are hit by obstacles, and how resilient they will be in the face of adverse situations. The Commission further argued that self-efficacy is an important prerequisite for entrepreneurial actions.

The researcher devoted a whole chapter to the notion of entrepreneurial intentions, as this notion was regarded as the backbone of the study. Henley (2007) articulated that entrepreneurship is an intentional activity in that, for many individuals, those intentions were formed at least a year in advance of a new venture creation, suggesting a link between entrepreneurship and intention. Choo and Wong (2009) posited that entrepreneurial intention is the search for information that can be used to help fulfil the goal of venture creation. A further definition suggested was that entrepreneurship intentions can also be described to one's judgments about the likelihood of owning one's own business. The personal commitment of the would-be entrepreneur to found a business has a significant impact on shaping the entrepreneurial intention.

During the discussion about the topic, various models of entrepreneurial intentions were uncovered, discussed and provided a direction in further developing the current research. The chapter also provided the state of entrepreneurial intentions around the world and in South Africa. From an international perspective, a comparative study on entrepreneurial intentions among students from MIT and the University of Twente (Holland) revealed that MIT students have a higher level of entrepreneurial

intentions than students from the University of Twente; this is due to the perceived enabling environmental conditions. In South Africa, it was discovered that fewer studies have been undertaken in the field of entrepreneurial intentions and, consequently, there was not much information about the topic.

The research method chapter outlined the methods and methodology followed to carry out the study. The researcher started by announcing the factors he had considered during the research process, as well as those factors pertinent to the research design, such as type and the purpose of the study, among others. The method selected for this study was a survey by means of questionnaire as the main source of collecting primary data. The preliminary data to develop the questionnaire was drawn from the literature review, from an already used instrument, as well as from the researcher's engagement with entrepreneurship lecturers. The provisional questionnaire was pilot-tested and following this test, some suggested changes were considered before finalising the questionnaire.

The reliability of the final instrument was tested and it was discovered that, with the exception of only three variables, almost all ten items had an acceptable reliability of more than *0.70* Cronbach's Alpha. However, those three also had a moderate high reliability of between *0.50* and *0.60*. Blaikie (2003:220) suggested that before applying factor analysis, it is a good idea to inspect the matrix of correlation coefficients. The first step to take is to see if any item has a very low correlation coefficient in relation to the others. Those factors with low coefficients are then not considered while doing factor analysis.

The study population was a pool of entrepreneurship students from UCT, US, UWC and CPUT. In consultation with some officials from these four institutions, the researcher arrived at an estimated number of 966 students following the entrepreneurship stream, and by applying The Research Advisors' (2006:3) and Krejcie and Morgan's (1970) sample calculation method, the sample for the current study was fixed at 270 respondents.

The researcher went slightly over this figure as he had 274 questionnaires ready to use.

The researcher liaised with entrepreneurship lecturers from these universities, and a session was organised for the researcher to be present while respondents were completing the questionnaires. In many cases, both lecturers and researcher were present, which led to the immediate collection of the completed questionnaires. The completed questionnaires were captured using SPSS 22, which generated data from which univariate, bivariate as well as multivariate analyses were conducted. Section A of the instrument (biographical information of the respondents) revealed that most of the students (52.8%) who participated in the study were between 21-25 years of age, and that 33% of this group were in their second year of university. This is true because the study included all levels of university education (i.e. from first year until Doctorate level). The number of female students who participated in the study surpassed that of male in the ratio of 57% to 43%. From this finding, it was argued that it is a positive trend to have a higher number of females participating in entrepreneurship programmes. The majority of the students enrolled for the entrepreneurship course were Black (46.4%), coinciding with the national demographical settings, while 76.3% of the students lived in big cities such as Cape Town or Port Elizabeth.

The univariate analysis of the respondents' answers also showed that 61% of them did not have past experience, while the remaining number had experience in various business fields such as sales/marketing, bookkeeping, supervision, etc. The study also wanted to know about the level of education of the students' parents and the following transpired: 40.1% of the respondents' fathers had tertiary education, while 33.6% of them had high school education. Concerning the respondents' mothers, 36.5% of them had high school as the highest level of education, while 33.6% of the mothers had tertiary education as the highest level of education.

With regard to the occupation of parents, 37.2% of the respondents confirmed that their fathers were professionals and salaried, while 26.3% of the fathers were professional owners of their own businesses. Of the respondents' mothers, 42.0% were professionals and salaried, while 15.3% of the mothers were professionals who owned their own businesses. There was no correlation analysis conducted on this broader section of the respondents' particulars. However, information contained in the previous paragraphs was necessary to understand the students' family background which was likely to play a major role in encouraging students to be involved in entrepreneurial ventures.

The last sections of Chapter 7, concerned with the correlation and regression analyses of the data, revealed that, due to the high correlation coefficients between dependent and independent variables, all seven hypotheses of the study were deemed acceptable. Those hypotheses are listed again here:

H1: Social factors (parents' work and education) shape their children's self-efficacy.

H2: There is an association between students' social factors and their entrepreneurial intentions.

H3: The correlation exists between students' cultural values (language, customs and traditions) and their self-efficacy.

H4: There is a correlation between students' cultural values and entrepreneurial intentions.

H5: There is a correlation between students' socio-economic values (income, employment level) and their self-efficacy.

H6: There is an association between students' socio-economic factors and their entrepreneurial intentions.

H7: There is correlation between students' self-efficacy and their entrepreneurial intentions.

8.3. CONCLUDING REMARKS

Empirical evidence provided insight that social values, cultural and socio-economic values of entrepreneurship students from UCT, US, UWC and CPUT played a major role in fostering their entrepreneurial intentions. However, self-efficacy was not proven to play a significant role among those above-mentioned respondents. Universities are in the best position to help students to nurture their entrepreneurial intents, hence several calls were made to those educational institutions to revise and strengthen their entrepreneurship programmes. This research suggests that there is a room for improvement to support and stimulate entrepreneurship behaviour, starting from campus. However, an acknowledgment of the challenge of finding time and squeezing additional credits into already fully packed curricula has to be made.

The study has cemented the view that entrepreneurship is a life skill, and the exposure of its content to all the students across the faculties might prove invaluable over the long run. Efforts should be furnished to instil innovative thinking and creativity among students and broaden their reasoning beyond the ordinary business concepts to more innovative ideas. Resources should be deployed to support these developing and innovative ideas from the early development of the students, because this is the only way in which enterprises will be established, will be protected from competitors and will achieve a sustainable competitive advantage.

8.4. STUDY LIMITATIONS

Given the number of students pursuing entrepreneurship programmes at the universities in the Western Cape Province, the researcher acknowledges that the size of the sample is the first limitation of the current study. It was possible to find a larger sample, but time constraints, financial and other logistical constraints constituted a limitation in this

regard. However, the sample used complied with the qualitative criteria set (i.e. being an entrepreneurship student in any of the four universities in the Western Cape), and quantitative criteria, as set by The Research Advisors (2006:3) and Krejcie and Morgan (1970).

Another limitation is that the study only covered university students, rather than anybody whose intent it is to open a business. A much broader and more diverse coverage would have portrayed a different picture about the future of entrepreneurship among the youth. Similar to the above limitation, only students studying in Cape Town and in the same province were the respondents. It is, however, believed that these students come from different corners of the country, but places of residence can also make a difference in people's perceptions about the adoption of a particular behaviour.

Finally, only entrepreneurship students were the respondents in the study. Enterprises are not only formed by graduates from business faculties. Engineers, medical doctors, scientists, sociologists, anthropologists, linguists and many other graduates also form business organisations, and the decision to behave as such does not take place unexpectedly. It is a process that takes time and deliberation to mature; therefore it would have been interesting to see the role that social values, cultural and socio-economic values of those students play in developing their intent to entrepreneurship.

8.5. RECOMMENDATIONS

This study was skewed towards intentionality of students' entrepreneurship, and the findings must be regarded as adding value to the broader pool of entrepreneurship, mainly in the South African context. Given the content of the study, the objectives it aimed to achieve, the research findings as well as the conclusions drawn as set out in the previous paragraphs, the following recommendations can be proposed to the following stakeholders:

8.5.1. To the universities and entrepreneurship lecturers

In many parts of the world, entrepreneurship is regarded as a vital skill for economic growth and individual empowerment, as it presents entrepreneurs with the financial means to be independent, while offering them a sense of self-worth. The study has discovered that many South African universities are still in the preliminary phases of introducing entrepreneurship, and that others do not have dedicated departments to teach entrepreneurship. It is therefore recommended that full programmes of entrepreneurship be introduced and supported adequately by qualified lecturers. Entrepreneurship lecturers need to heighten their interests in the field, by attending conferences, learning about new trends in the field, and by thinking of shifting from traditional ways of teaching entrepreneurship to a more modern way which should involve a practical component. Entrepreneurship lecturers should also have practical experience to inspire students to establish their own enterprises.

The use of visiting lecturers, as well as successful entrepreneurs, would add value in the way entrepreneurship is taught today in South Africa and would contribute to the students' shift of mind towards becoming venture creators. Lecturers should use real cases from the students' immediate environment and continuously encourage and motivate them to learn how to become entrepreneurial. It is important to remember that debate about what should be the role of university in terms of theory versus practice is also rife. While one school of thought advocates the experiential nature of providing entrepreneurship, the other holds the view that institutions of higher learning should only focus on education, research and theory-building and leave hands-on experience to practitioners.

Universities should develop educational support and offerings targeted at student entrepreneurs at different levels of commitment and planning. Furthermore, it is important to note that while one school of thought advocates the experiential nature of entrepreneurship education/training, the other holds the position that educational institutions should focus on

theory-building and research, while leaving hands-on experience to the practitioners (Scheepers *et al*., 2009:72). The current study supports the exposure to the practical experience and nature of the entrepreneurship.

8.5.2. To the parents

One of the most important findings of the current study is that society, within which students grow, has a huge impact on developing their intentions towards entrepreneurship. Parents' education and occupation influence children's behaviour, while the culture they live in impacts on their future behaviours. Family economic conditions play a major role in what children will become in the future, and therefore it is important that parents understand their role in mobilising their children towards entrepreneurship. Through working together and coaching, through constant interactions between parents and their children, and through regular conversations about entrepreneurship, children will end up taking their parents' advice.

8.5.3. To the government

The government as policy-maker stakeholder in education needs to understand that only five to eight out of every 100 adult South Africans are in the process of starting a business, or already own a business (Herrington *et al.*, 2009). This percentage being very low, and the literature revealing that the South African government is faced with a pressing challenge of the high demand for entrepreneurship courses from the students who want to grow their entrepreneurial intentions (Co & Mitchell, 2006:349), the government should make entrepreneurship subjects compulsory for all students at university level, rather than limiting these subjects to only commerce students. More importantly, government should go deeper in nurturing intentions of those entrepreneurs who aim at creating enterprises. However, with the introduction of a new government department dedicated to the small and medium enterprises' development, there is hope that this concern can be dealt with as a matter of urgency.

As lamented by Fatoki (2010:90), one of the major challenges experienced by small scale entrepreneurs is the lack of information about the government supported programmes to strengthen their entrepreneurial initiatives, and this issue has been repeated by a number of authors in their various studies. It is then imperative that the government undertakes a campaign aimed at bringing this knowledge to the beneficiaries.

Findings also suggest that economic development in a region contributes significantly to the nurturing of entrepreneurial intentions among the respondents. It is widely recognised that government is not in the best position to create employment as businesses can do, but a call is made upon government to continue to provide the conditions favourable to the establishment and flourishing of business opportunities.

8.5.4. Recommendations to the businesses and funding agencies

Businesses and supporting agencies engage in corporate social responsibility in many ways such as providing financial support or building infrastructure. But they also embark on providing knowledge and skills that are necessary to the people. A longitudinal study conducted in 2001, 2002 and 2008 indicated that in South Africa, the perceived availability of business opportunity and the business skills level of the people studied were well below the international mean. This issue, coupled with a lower level of entrepreneurship, create a major problem in the effort of job creation (Driver *et al*., 2003:3, Herrington *et al*., 2009).

As ascertained by Friedrich *et al.* (2005), the development of entrepreneurship skills through the educational system increases the supply of entrepreneurs in the country, while Irish students who participated in the business plan competition indicated that the initiative had a very important impact on their subsequent career choices (Fleming, 1994). In keeping with this, Vesper and McMullan (1997) showed that entrepreneurship courses help alumni make better decisions in the start-up process.

With the above cases in mind, businesses such as banks and other funding institutions are recommended to direct their aid where it can be most beneficial and have a long-term/lasting impact. They can fund trainers, speakers and experienced entrepreneurs to provide the necessary entrepreneurship skills or create awareness and stir up intentions among the people about entrepreneurial opportunities.

8.5.5. Recommendations to civil-society organisations

In the study, it was hypothesised that there a positive correlation between the item of income and entrepreneurship intentions, as Luiz and Mariotti (2011:60) concluded, the empirical evidence from the current study suggested otherwise. This is probably a result of many respondents who came from a poor background, where they could not rely on a non-existent income to start a business. As mentioned in Chapter 2, in South Africa there are many non-profit organisations that operate in rural areas to support the people in various ways. However, a number of people that should benefit from their assistance are not aware of them. They should make themselves more visible, but more importantly they should also undertake to sensitise the people about entrepreneurship, or incorporate entrepreneurship sessions in their programmes.

The civil-society organisations' good relationship with and their proximity to the people, places them in a best position to better know and understand their needs. They can therefore use the findings of this study about the positive correlation between social values and cultural values to cultivate in their clients the culture of entrepreneurship.

8.5.6. Recommendations to both government, businesses, labour and civil-society organisations

The results of the empirical study reveal that income and economic development increases self-efficacy towards both entrepreneurship and entrepreneurship intentions. In light of the regular protests against low salaries, constant calls from labour movements to improve the employees'

wages and salaries, as well as the prospective contribution of the higher income to the entrepreneurial thinking and undertaking, it is highly recommended that all these parties sit together around the table to discuss the possibilities of raising the salaries of South Africans across the board.

This action will indeed generate more income for families, and family members will reflect on how to utilise their discretionary income to undertake entrepreneurial initiatives. Furthermore, this is in line with another finding of the current study that respondents from high income families are more geared towards opening up businesses than those from low earning families.

8.5.7. Recommendations for further research

There is no doubt that more research is being undertaken in the broader context of entrepreneurship, targeting the youth and/or students. The current study recommends that research on the people's intent towards entrepreneurship cover the whole country. Furthermore, it is argued that universities are well placed to assist in the development of entrepreneurial minds, and surely this is not only for limited institutions, or some specific faculties. Therefore, an investigation into how the variables of this study about shaping entrepreneurial intentions of students, should cover all the universities and, if possible, involve students from faculties other than just business.

Given the large number of people who do not qualify for universities, and who turn their attention to entrepreneurship, it would be interesting to investigate how the social, cultural as well as socio-economic conditions they live in, shape their entrepreneurial intentions. Hence the current study recommends that a study be extended to that particular group of people. Should all these recommendations for further research be implemented, it would be possible to construct a wide-ranging model of entrepreneurial intentions for the whole country.

The study also discovered that entrepreneurship education and teaching can also be the source of trouble rather than enhancement of people's mindsets about entrepreneurship. For example, entrepreneurship education provided in universities reaches a very small (and specific) percentage of the population (Kickul *et al*., 2004), there is a mismatch between the skills that students develop in higher education and those that they need for survival in the business world (Fatoki, 2010:93), and some courses expose students to the complexities of starting a business about which they have previously been unaware of (Cox *et al.,* 2002). It is therefore recommended that further research be undertaken to endorse these claims or discredit them. If they are found to be valid, then strategies need to be formulated on how to mitigate their negative impacts on the students.

8.6. FUNDAMENTAL CONTRIBUTION OF THIS RESEARCH

8.6.1. Contribution to knowledge and theory of entrepreneurial intentions

The importance of intentions as an antecedent of planned behaviour (such as founding a new business) has been emphasised since as early as the 1970s when intentions started to gain recognition as the best predictor of behaviour (Krueger & Brazeal, 1994). With this said, the capacity to understand and to predict an intention becomes a fundamental topic for both managers and entrepreneurs (Tubbs & Ekeberg, 1991). However, studies concerning how intentions can best contribute to entrepreneurial behaviour remain inconclusive in most environments. This study has contributed to the debate in this field, especially in South Africa where entrepreneurship behaviour is critically needed.

A further major contribution of this study to the practice of entrepreneurial behaviour is the development of the entrepreneurial intentions model among entrepreneurship students given their social, cultural and socio-economic context. The model was drafted after the regression analysis

and it contains the variables that validly contribute to the entrepreneurial intentions. In this regard, the role of the family and society in general in permeating entrepreneurship behaviour has been emphasized.

Through the literature review, the study has also stressed the crucial role of entrepreneurship education and teaching in stimulating entrepreneurial intentions and behaviour, and has indicated that 65% of South African university students are willing to establish businesses in the primary services. This finding can orient investors and funders towards where to put their monies.

8.6.2. Contribution to the methods of entrepreneurship dispensation at learning institutions

The current study has also brought to the fore the various methods that institutions apply to teach entrepreneurship. The lack of a practical component was largely cited as the major weakness in the process. Researchers in this field emphasised the fact that effective and successful entrepreneurship education should comprise a practical component. This study reiterates this fact especially to those who are still in doubt of its relevance.

8.6.3. Contribution to researchers

It is widely recognised that society plays a key role in the upbringing of children of all ages. The current study has reached the same findings, with specific reference to entrepreneurial intentions and behaviour. Since studies about entrepreneurial intentions stimuli are still insufficient in South Africa, this study has brought to the fore that the social value of parents' work plays a major role in motivating students to adopt such a behaviour. Other social values such as parents' education did not score as much as the parents' work.

Concerning the cultural values, the study finding is that customs and traditions have a higher impact on students' entrepreneurial orientations than language and religion, while income scored higher than economic development and employment level among socio-economic variables. These items should be the points of focus and be developed further if entrepreneurial thinking must be taken to the next level.

Lastly, the researcher developed a significant volume of data and information with the intention to share it with other researchers by means of publications.

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APPENDIX 1:

COVER LETTER

UNIVERSITY OF THE WESTERN CAPE

SCHOOL OF BUSINESS AND FINANCE

PRIVATE BAG X17 BELLVILLE

7535

TEL: 021 959 3941

FAX: 021 959 3470

Researcher's contacts:

Cape Peninsula university of Technology

Faculty of Business

Dept of Retail Business Management

Tel: 021 460 9022

kalitanyiv@cput.ac.za

25 January 2014

Dear Respondent

Re: Questionnaire for research "Socio-cultural values as determinants of entrepreneurial intentions among students in Cape Town"

The purpose of this letter is to invite you to participate in a research study being conducted through the School of Business and finance of the University of the Western Cape.

The underlying theme of the research project is to determine whether socio-cultural and socio-economic values of entrepreneurship students shape their entrepreneurial intentions. As an entrepreneurship student, I would like to seek your assistance as you have been identified to be one of the respondents to the attached questionnaire survey. Please note that all information will be treated strictly confidential.

The researcher is registered for a doctoral degree at the above-mentioned institution, and work as a lecturer of Business Management in the Department of retail Business management at the Cape Peninsula University of Technology.

I really appreciate your time and patience to fill up the questionnaire which may be returned to me by the channel of your lecturer.

Your cooperation is highly appreciated.

Yours sincerely

Prof. Kobus Visser (PhD)

Supervisor

Mr. Vivence Kalitanyi

Researcher

APPENDIX 2:
QUESTIONNAIRE

The purpose of this Questionnaire is to assess your entrepreneurial intention, and factors that would influence your intention to perform an entrepreneurial behaviour. Please do not stop thinking as deep as possible as you provide your answer, and work as quick as you can to answer all the questions by indicating with a tick, the number that best represents your choice.

SECTION A: PERSONAL DETAILS

1. Age:

Up to 20		31-35	
21-25		36-40	
26-30		Above 40	

2. Gender

Male		Female	

3. Racial group*

African		Indian	
Chinese		White	
Coloured		Other (specify).....	

*** Note:** while it is appreciated that requiring a response to the question of race may be sensitive and even offensive, the literature on entrepreneurial behaviour identifies race as an influential variable.

4. Religion

Animist		Agnostic (non-believer)	
Buddhist		Christian	
Hindu		Judaist	
Muslim		Paganism	
Rastafari		Other (Specify)	

5. Most residential area (where the respondent has mostly resided)

Big City (e.g. Cape Town)		Metro (e.g. Upington, Grahamstown)	
Rural			

6. Current level of study

1st year		Postgraduate (e.g. Advanced Diploma, B. Tech, Hons)	
2nd year		Masters	
3rd year		PhD	

SECTION B: PAST EXPERIENCE

Indicate your past experience in the business field (tick all that applies)		Yes	No
1.	Entrepreneurship (bring resources together to pursue an opportunity)		
2.	Running own business		
3.	Running business for others		
4.	Sales/marketing experience		
5.	Supervisory role		
6.	Bookkeeping		
7.	If u worked, what was the size of the company? (**Tick the highest**)		
	• Less than 5 employees		
	• Between 5 and 20 employees		
	• Between 20 and 50 employees		
	• Between 50 and 200 employees		
	• More than 200 employees		

SECTION C: FAMILY BACKGROUND

1.	**Parent/Guardian's highest educational level**	**Father**	**Mother**	**Guardian**
	a. No formal education			
	b. Primary			
	c. Secondary/high school			
	d. College education (FET College: e.g. Northlink)			
	e. Tertiary education (University)			
2.	**Occupation/Profession of Parent/Guardian**	**Father**	**Mother**	**Guardian**
	a. Professional: Salaried employee: • e.g. teacher, clerk, manager, other (specify).....			
	b. Skilled worker (Technician, Designer, Mechanist, other (specify)			
	c. Unskilled worker			
	d. Professional: Own Business with: • e.g. architect, farming, franchise store, other (specify).....			
	1. Less than 10 employees			
	2. Between 11 and 50 employees			
	3. More than 50 employees			
	4. More than 100 employees			
	e. Housekeeping (housemaid)			
	f. Unemployed			
	g. Retiree			
	h. Other specify			

SECTION D: ENTREPRENEURSHIP IN THE FAMILY

(*Entrepreneurship is the process of bringing resources together, identify and turn an opportunity into a successful business venture).*

	Entrepreneurship in the respondents' family	**Yes**	**No**
1.	My father is an entrepreneur		
2.	My mother is an entrepreneur		
3.	There are other entrepreneurs in my family (e.g. brother, aunt, cousin. etc)		
4.	My partner is an entrepreneur		
5.	I have friends /acquaintances who are entrepreneurs		

SECTION E: SOCIAL VALUES

- The grading scale is from (1) to (5) with (1) being strongly disagree and (5) being strongly agree
    - Strongly disagree
    - Mostly disagree
    - Uncertain
    - Mostly agree
    - Strongly agree
- Your answer should be based on first thought that come into mind
- Please place an X beside the answer of your choice and while only one answer is possible.
- Please indicate the degree to which each statement accurately describes your own situation and your own feelings, using one of the following scales:

Parents/Guardian occupation

	Statements	Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
E.1.	I often observe my parents/guardians performing their work.					
E.2.	I believe in the importance of the role models in my society					
E.3.	I regard my parents/guardians as my role models					
E.4.	I regard other family members as my role models.					
E.5.	I aspire to exercise the same profession as my parents					
E.6.	I regard my parents/guardians' work as honorific.					
E.7.	I believe that my parents/guardians' work has made them financially stable					
E.8.	I aspire to achieve the same financial successes as my parents/guardians.					

Parents/guardian education

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
E.9.	My parents/guardians are educated (post-matric)					
E.10.	Parents/guardians' education inspire their children					

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
E.11.	My parents/guardians understand the importance of education					
E.12.	My parents always encourage me to improve my education					
E.13.	My parents/guardians' education is an inspiration to me					
E.14.	I aspire to have education as my parents/guardians did					
E.15	My parents/guardians success is owed to education					

SECTION F: CULTURAL VALUES

Language

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
F.1.	A poor language skill is an obstacle to the entrepreneurship.					
F.2.	The language we speak at home is the same as the language we use at school					
F.3.	There is sufficient entrepreneurship information available in my home language					
F.4.	There are many people who speak my home language who are entrepreneurs.					
F.5.	The understanding of the language facilitates social and economic					

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
	integration and productivity.					
F.6.	The stronger the communication skills entrepreneur has, the more confident he will be.					
F.7.	The stronger the communication skills entrepreneur has, the easier it becomes to penetrate mainstream market successfully.					

Religious Beliefs

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
F.8.	Religion is the main instrument to shape all the norms in my society.					
F.9.	Religion is a barrier to the business initiatives in my society.					
F.10.	Religion is a barrier to the business growth in my society.					
F.11.	Religion constitutes a barrier to capital access in my society.					
F.12.	My religion allows me to perform entrepreneurial activity.					
F.13.	Our family religious beliefs have helped some family members to become entrepreneurs					
F.14.	Our family beliefs facilitate business networking.					

Customs and traditions

		Strongly disagree	Mostly disagree	Disagree	Mostly agree	Strongly agree
F.15.	In our customs and traditions, we learn about life skills such as self-reliance					
F.16.	In our customs and traditions, we learn about entrepreneurial skills					
F.17.	In our customs and traditions, we exercise entrepreneurial behaviour					
F.18.	In our tradition, we like to implement our own ideas.					
F.19.	In my traditions, women are still excluded from important economic positions					
F.20.	Female family headship is an entrepreneurship hindrance in my society					
F.21.	There is no gender-based separation of works in my society.					

SECTION G: SOCIO-ECONOMIC VALUES

Income

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
G.1.	The level of income in the family stimulates entrepreneurial initiatives					
G.2.	I think of entrepreneurial initiatives because there is enough income to					

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
	capitalise them					
G.3	Members of families with high income are not motivated to behave entrepreneurially					
G.4.	People without sufficient income are motivated to behave entrepreneurially.					
G.5.	If I have a job with high income, I would save for my entrepreneurial venture.					
G.6.	I would use my high income to open a business venture					
G.7.	There are people that I know who used their income to open up business ventures.					

G.8. Monthly income in the family (<u>in thousands SA Rands</u>)

Please indicate the range of the income in your family <u>to the best of your knowledge</u>

Income Range	<R10	R10 - R20	R21 - R30	R31 - R40	R41 - R50	R51 - R60	R61 - R70	R71 - R80	R81 - R90	R91-R100	>R100	Do not know

G. 9. Do you intend to open up a business?

Yes		No	

G.10. If yes, when?

Immediately after studies?	5 years from now	10 years from now	15 years from now

Economic development of the respondent's region.

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
G.11	The level of economic development stimulates entrepreneurial thinking					
G.12	The level of economic development offers opportunities for entrepreneurial initiatives					
G.13	The level of economic development provides framework for businesses to flourish					
G.14	The current economic development is conducive to the establishment of an entrepreneurial venture.					
G.15	The more economy is developed, the more entrepreneurship will take place					
G.16	Countries that are economically developed are more entrepreneurial					
G.17	A lower level of economic development stimulates entrepreneurial initiatives					

Employment level in the respondent's region

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
G.18	The level of employment stimulates entrepreneurial initiatives					
G.19	I know of people who chose entrepreneurial career despite being employed					
G.20	The higher the employment level, the higher the entrepreneurial behaviour.					
G.21	The lower the employment, the higher the entrepreneurial initiatives.					
G.22	The level of employment has a positive impact on entrepreneurial initiatives.					
G.23	Some entrepreneurs acquired entrepreneurial skills from workplace.					
G.24	I would choose self-employment over being employed.					
G.25	The level of employment in my region is high					

SECTION H: SELF-EFFICACY ***(****belief in one's ability to perform certain activities successfully)*

		Strongly disagree	**Mostly disagree**	**Uncertain**	**Mostly agree**	**Strongly agree**
H.1.	When I try hard enough, I can always manage to solve difficult problems					
H.2.	In demanding situations, I can usually think of solutions					
H.3.	In demanding situations, I can always make decisions					
H.4.	No matter what comes my way, I am able to handle it					
H.5	I can rely on my ability to solve problems					
H.6.	I am able to manage money					
H.7	I believe in my creativity					
H.8	I can get people to agree with me					
H.9	I possess leadership qualities					

SECTION I: ENTREPRENEURIAL INTENTION *(one's judgments about the likelihood of owning one's own business).*

		Strongly disagree	**Mostly disagree**	**Uncertain**	**Mostly agree**	**Strongly agree**

		Strongly disagree	Mostly disagree	Uncertain	Mostly agree	Strongly agree
I.1	I will choose a career as an entrepreneur					
I.2	I will choose a career as an employee in a company/an organisation.					
I.3	I prefer to be an entrepreneur rather than being an employee in a company/an organisation					
I.4	The idea is appealing that one day I will start my own business					
I.5	I would rather found/form a company rather than being a manager of an existing one.					
I.6	I want the freedom to express myself in my own business					
I.7	I would rather be my own boss than having a secure job					
I.8	I relish the challenge of creating a new business.					
I.9	You can only make big money if you are self-employed.					
I.10	I have always wanted to work for myself					
I.11	If I have the opportunity, I would start my own company.					

Thank you for taking your time to complete this questionnaire.

APPENDIX 3:

SAMPLE DETERMINATION FORMULA (1)

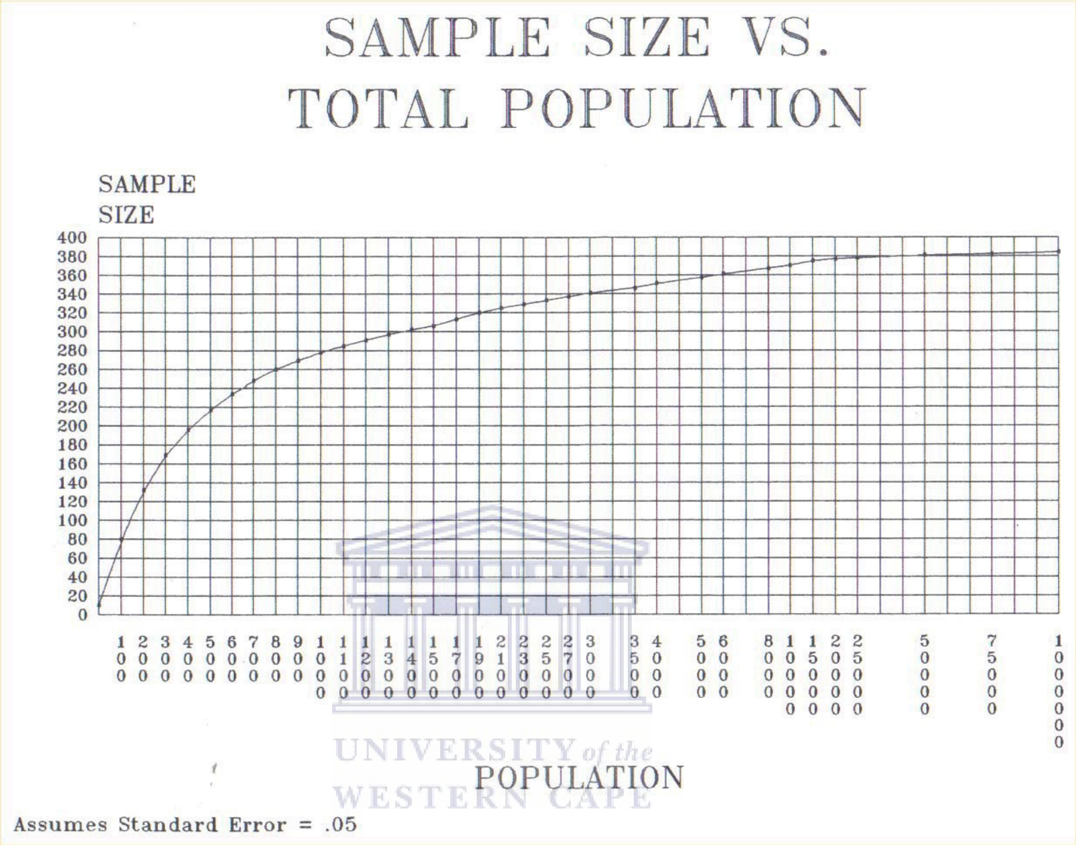
TABLE 1
Table for Determining Sample Size from a Given Population

N	*S*	*N*	*S*	*N*	*S*
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size.
S is sample size.

APPENDIX 4:

SAMPLE DETERMINATION (2)



APPENDIX 5:

SAMPLE DETERMINATION (3)

FORMULAE FOR DETERMINING NEEDED SAMPLE SIZES

POPULATION SIZE UNKNOWN:

$$\text{SAMPLE SIZE} = \frac{\left(\frac{\text{RANGE}}{2}\right)^2}{\left(\frac{\text{ACCURACY LEVEL}}{\text{CONFIDENCE LEVEL}}\right)^2}$$

Confidence Levels:	α	$\alpha/2$
.10 level =	1.28	1.64
.05 level =	1.64	1.96
.01 level =	2.33	2.58
.001 level =	3.09	3.29

Accuracy Levels:

Range X Desired Level of Accuracy (expressed as a proportion)

POPULATION SIZE KNOWN:

$$\text{SIZE} = \frac{X^2 NP\,(1\text{-}P)}{d^2\,(N\text{-}1) + X^2 P\,(1\text{-}P)}$$

X^2 = table value of Chi-Square @ *d.f.* = 1 for desired confidence level
.10 = 2.71 .05 = 3.84 .01 = 6.64 .001 = 10.83
N = population size
P = population proportion (assumed to be .50)
d = degree of accuracy (expressed as a proportion)

APPENDIX 6:

SAMPLE DETERMINATION (4)

Required Sample Size†

Population Size	Confidence = 95% Margin of Error				Confidence = 99% Margin of Error			
	5.0%	3.5%	2.5%	1.0%	5.0%	3.5%	2.5%	1.0%
10	10	10	10	10	10	10	10	10
20	19	20	20	20	19	20	20	20
30	28	29	29	30	29	29	30	30
50	44	47	48	50	47	48	49	50
75	63	69	72	74	67	71	73	75
100	80	89	94	99	87	93	96	99
150	108	126	137	148	122	135	142	149
200	132	160	177	196	154	174	186	198
250	152	190	215	244	182	211	229	246
300	169	217	251	291	207	246	270	295
400	196	265	318	384	250	309	348	391
500	217	306	377	475	285	365	421	485
600	234	340	432	565	315	416	490	579
700	248	370	481	653	341	462	554	672
800	260	396	526	739	363	503	615	763
1,000	278	440	606	906	399	575	727	943
1,200	291	474	674	1067	427	636	827	1119
1,500	306	515	759	1297	460	712	959	1376
2,000	322	563	869	1655	498	808	1141	1785
2,500	333	597	952	1984	524	879	1288	2173
3,500	346	641	1068	2565	558	977	1510	2890
5,000	357	678	1176	3288	586	1066	1734	3842
7,500	365	710	1275	4211	610	1147	1960	5165
10,000	370	727	1332	4899	622	1193	2098	6239
25,000	378	760	1448	6939	646	1285	2399	9972
50,000	381	772	1491	8056	655	1318	2520	12455
75,000	382	776	1506	8514	658	1330	2563	13583
100,000	383	778	1513	8762	659	1336	2585	14227
250,000	384	782	1527	9248	662	1347	2626	15555
500,000	384	783	1532	9423	663	1350	2640	16055
1,000,000	384	783	1534	9512	663	1352	2647	16317
2,500,000	384	784	1536	9567	663	1353	2651	16478
10,000,000	384	784	1536	9594	663	1354	2653	16560
100,000,000	384	784	1537	9603	663	1354	2654	16584
300,000,000	384	784	1537	9603	663	1354	2654	16586

APPENDIX 7:

UCT ETHICAL CLEARANCE

UNIVERSITY OF CAPE TOWN

Faculty of Commerce
Ethics in Research Committee

Courier: Room 2.21 Leslie Commerce Building Upper Campus University of Cape Town
Post: University of Cape Town • Private Bag • Rondebosch 7701
Email: Harold.kincaid@uct.ac.za
Telephone: +27 21 650-2311
Fax No.: +27 21 689-7570

March 20, 2014

Vivence Kalitanyi

University of the Western Cape

Dear Researcher

Project title:

Socio-cultural values as determinants of entrepreneurial intentions in Cape Town

This letter serves to confirm that this project as described in your submitted protocol has been approved. Please note that if you make any substantial change in your research procedure that could affect the experiences of the participants, you must submit a revised protocol to the Committee for approval.

Regards,

Harold Kincaid

Professor Harold Kincaid
Commerce Faculty Ethics in Research Committee

APPENDIX 8:

US ETHICAL CLEARANCE

UNIVERSITEIT • STELLENBOSCH • UNIVERSITY
jou kennisvennoot • your knowledge partner

07 April 2014

Mr Vivence Kalitanyi
School of Business and Finance
University of the Western Cape

Dear Mr Kalitanyi

Concerning research project: ***Socio-cultural values as determinants of entrepreneurial intentions in Cape Town***

The researcher has institutional permission to proceed with this project as stipulated in the research protocol. This permission is granted on the following conditions:

- the researcher obtains the participants' full informed consent,
- participation is voluntary,
- participants may withdraw their participation at any time, and without consequence,
- data must be collected in a way that ensures the anonymity of all participants,
- individuals may not be identified in the results of the study,
- data that is collected may only be used for the purpose of this study,
- the privacy of individuals must be respected and protected.

Best wishes,

Jan Botha
Senior Director: Institutional Research and Planning

Afdeling Institusionele Navorsing en Beplanning • Institutional Research and Planning Division
Privaatsak/Private Bag X1 • Stellenbosch • 7602 • Suid-Afrika/South Africa
Tel. +27 21 808 8967 • Faks/Fax +27 21 808 4688

APPENDIX 9:

UWC ETHICAL CLEARANCE

UNIVERSITY of the
WESTERN CAPE

OFFICE OF THE DEAN
DEPARTMENT OF RESEARCH DEVELOPMENT

14 February 2014

To Whom It May Concern

I hereby certify that the Senate Research Committee of the University of the Western Cape approved the methodology and ethics of the following research project by:
Mr V Kalitany (School of Business and Finance)

Research Project:	Socio-cultural values as determinants of entrepreneurial intentions in Cape Town.
Registration no:	14/1/23

Any amendments, extension or other modifications to the protocol must be submitted to the Ethics Committee for approval.

The Committee must be informed of any serious adverse event and/or termination of the study.

Ms Patricia Josias
Research Ethics Committee Officer
University of the Western Cape

Private Bag X17, Bellville 7535, South Africa
T: +27 21 959 2988/2948 . F: +27 21 959 3170
E: pjosias@uwc.ac.za
www.uwc.ac.za

APPENDIX 10:

CPUT ETHICAL CLEARANCE

Cape Peninsula University of Technology

P.O. Box 1906 • Bellville 7535 South Africa •Tel: +27 21 4603239 • Email: zouityf@cput.ac.za
Symphony Road Bellville 7535

Office of the Chairperson Research Ethics Committee	Faculty: BUSINESS

At a meeting of the Research Ethics Committee on 13 June 2014, Ethics Approval was granted to KALITANYA, Vivence Kalitanyi (2249539) for research activities Related to the MTech/DTech: Doctoral Programme at the School of Business and Finance (SBF) at the University of the Western Cape

Title of dissertation/thesis:	Socio-cultural values as determinants of entrepreneurial intentions in Cape Town Supervisor: Prof. DJ (Kobus) Visser

Comments:

Decision: APPROVED

Signed: Chairperson: Research Ethics Committee	13 June 2014 Date
Signed: Chairperson: Faculty Research Committee	Date

Clearance Certificate No | 2014FBREC183