

## **FACTORS AFFECTING ENTREPRENEURIAL ACTIONS IN STUDENTS: A THEORETICAL PERSPECTIVE OF ENTREPRENEURIAL EDUCATION AND INTENTION**

**Payal Mahipal**

Research Scholar, Manipal University Jaipur, Rajasthan, India

**Dr. Sunny Dawar**

Associate Professor, Manipal University Jaipur, Rajasthan, India

**Dr. Amit Kumar Sharma**

Assistant Professor, JECRC University Jaipur, Rajasthan, India

Corresponding author email: [sunny.dawar86@gmail.com](mailto:sunny.dawar86@gmail.com)

### **ABSTRACT:**

Entrepreneurship has been viewed as a key contributor to generating new jobs and an economic catalyst in a country. It creates a sense of independence and a financially strong mindset among graduates who become self-employed, which contributes to the financial growth of the nation. Research studies in existence explain that entrepreneurial action is based on entrepreneurial intention, which is primarily driven by goal-oriented conduct of an individual. However, the question that still remains unanswered is that what links the transmission of intention into entrepreneurial behavior has not been studied in abundance. Thus, it is imperative to identify those factors that significantly impact the entrepreneurial intention of student entrepreneurs who have attained the minimum post-secondary level of education. This research aims to study the impact of entrepreneurial education on entrepreneurial intentions, which leads to entrepreneurial action. We attempt to examine the factors that affect intention, such as financial, motivational, and psychological, among students. This paper is descriptive in nature, and the data collected is secondary in the form of reviews and suggestions. Entrepreneurial intentions lead to entrepreneurial behavior. Hence, entrepreneurship educationalists will reap benefits from intention based behavioral research in entrepreneurship. The paper concludes with the identification of factors playing a vital role in entrepreneurial actions. The authors provide input for practical implications and directions for future research.

**Keywords:** Entrepreneurial Education, Entrepreneurial actions, Intention, Psychological factors, Entrepreneurship

### **INTRODUCTION**

It is widely held that the spirit of entrepreneurship is what propels both job creation and the expansion of the country's economy. It supports the country's economic growth and gives graduates who choose self-employment a strong financial foundation and a sense of independence. Previous research has conceptualized entrepreneurial action as objective, purposeful behavior driven primarily by entrepreneurial intent. The Government of India's objective is to establish a robust ecosystem that fosters innovation and startup ventures within the nation, thereby promoting sustainable economic expansion and creating substantial employment prospects.

According to (Ilonen et al., 2018) "student entrepreneurship" can be conceptualized as an ongoing process that involves goal-oriented work that leads to market substantiation, delivers a minimum viable product or service, modifies it on the basis of feedback, and launches a new business.

(McMullen and Dimov, 2013) suggested that students engage in entrepreneurial activities in accordance with producing new ideas, developing the concept of target customer, conducting experiments, pivoting, negotiating knowledge, pitching ideas, prototyping new business models, creating a minimum viable product, and launching a new venture.

(Kuratko et al., 2021) The entrepreneurial endeavors of these students exemplify varying degrees of student involvement in venture creation and entrepreneurship.

What aspects of a person's decision to start a business matter more than others? What factors facilitate or impede the endeavors of prospective entrepreneurs? These are matters that warrant investigation and scholarly inquiry. Prior research has demonstrated that risk propensity, entrepreneurial climate, and business role models have a substantial influence on individual entrepreneurship; however, these studies have only examined entrepreneurial intention and have not examined entrepreneurial practice. Fear of failure and business role models are thus selected to investigate the mechanism by which entrepreneurial education sprouts and entrepreneurial intention transforms into entrepreneurial action.

### **ENTREPRENEURSHIP EDUCATION**

(Neck and Corbett, 2018;) researchers are becoming increasingly interested in entrepreneurship education (EE), and a number of students are vehemently arguing for its legitimate inquiry. (Nabi et al., 2017) This demand is particularly noticed when considering upper level education with the term "student entrepreneur". The phrase "student entrepreneur" was recently introduced by (Hägg and Kurczewska, 2022) that defines a student entrepreneur as an emerging adult, we encounter in higher education and possesses only a beginner level understanding of entrepreneurship and frequently lacks pertinent business experiences". This is especially true when considering higher education and the "student entrepreneur" (Nabi et al., 2017). (Hägg and Kurczewska, 2022) recently introduced the term "student entrepreneur" to describe "the emerging adult who, on average, we encounter in higher education and who possesses only rudimentary understanding of entrepreneurship and frequently lacks pertinent business experiences."

(Bandura, 2001) Drawing heavily from agency theory, (Ajzen, 1991) the theory of planned behavior, and (Unger et al., 2011) in their paper, the theory of human capital, have characterized EE as a pathway through which student entrepreneurs can develop their entrepreneurial expertise and competencies, and adapt to the psychological, behavioral and attitudinal behavior towards developing their spirit of becoming entrepreneurs.

### **ENTREPRENEURIAL INTENTION**

Entrepreneurial Intention (EI), according to (DeNoble et al., 1999), comprises the entrepreneur's inherent thought, inclination, and behavioral propensity to establish a novel enterprise. Entrepreneurial intention is defined by (Krueger, 2000) as the potential entrepreneurs' subjective expectation and attitude regarding whether or not they will engage in entrepreneurial activities. An entrepreneurial intention is the conviction that an individual or group intends to establish a business, according to (Thompson, 2009). Entrepreneurial intention, to put it succinctly, is a psychological condition that directs our focus towards particular business objectives with the ultimate aim of attaining entrepreneurial outcomes. It is also an acknowledgment that individuals generate new value for established businesses or initiate the development of new ones.

(Teruel-Sánchez et al., 2021) The field of entrepreneurship research is perpetually being examined through various lenses to expand theoretical understanding and practical application. (Esfandiar et al., 2019) The investigation into the correlation between EI and EA continues to be significant in the field of entrepreneurship research as it facilitates entrepreneurial activity. (Meoli et al., 2020) Nevertheless, the

measurement of this relationship remains a topic of debate in the literature on entrepreneurship. (Bogatyreva et al., 2019) The majority of research approaches this relationship from a binary perspective (Emami and Khajeheian, 2019; Baum et al., 2007) despite the fact that it is possible to contend that EA is a progressive multiplicative process.

### **ENTREPRENEURIAL EDUCATION & ENTREPRENEURIAL INTENTION**

Nevertheless, prior research has been preoccupied with entrepreneurial intention when it comes to EE impact indicators. According to (Bae et al., 2014) meta-analysis, a slight but significant relationship is established between entrepreneurial intentions and EE. This relationship was found to be regulated by culture and a high socialistic culture strengthens the influence of entrepreneurial education on students. (Nabi et al., 2017) discovered that the majority of research included in their analysis asserted that an entrepreneurial education program had a positive effect on qualitative and quantitative impact factors, and entrepreneurial intentions found to be the most prevalent factor. (Shabbir et al., 2022) determined in their systematic literature review paper that the entrepreneurial intentions are primarily related to entrepreneurial learning, practice and innovation are the most researched topics with the highest number of published papers. (Zhang et al., 2022) recently enquired the effect of education on entrepreneurial intentions by conducting a meta-analysis and concluded that entrepreneurship education positively influences entrepreneurial intention but moderated by the national context. Furthermore, (Kuratko et al., 2021) it has been hypothesized that student entrepreneurship commences after intentions are established. A meta-analysis by (Sheeran, 2002) found that intentions and behavior were highly correlated, with intentions explaining 28% of the variance in behavior. Similarly, (Hanage et al., 2024) have demonstrated a correlation between entrepreneurial intentions and executed entrepreneurial activities.

### **ENTREPRENEURIAL ACTIONS**

An individual's goal to launch a high-growth company and become an entrepreneur in the future is referred to as their entrepreneurial intention (Ajzen & Fishbein, 1991) a start-up or an established company that is attempting to launch a new venture or is actively seeking new prospects is said to have entrepreneurial opportunities. According to (Kuratko et al., 2021) entrepreneurial intention is the creation of a detailed and workable plan for launching a firm. It can also mean that you want to develop and run your own private company, or that you intend to become an entrepreneur. Since the act of beginning a business is thought to precede entrepreneurial ambition, having an entrepreneurial mindset is necessary before launching a start-up. An entrepreneur's efforts to begin a start-up, applying personal motivation and actions to set up a business, are an embodiment of their entrepreneurial intention. An optimistic outlook on start-ups is also regarded as being exhibited by entrepreneurs who are considering the prospect of launching their own companies in the future. It is imperative that an entrepreneurial goal be set before establishing a start-up. Using the notion of planned behavior, (Katz and Gartner, 1988) considered a person's goal to become an entrepreneur as a significant predictor of entrepreneurship.

### **ENTREPRENEURIAL INTENTION TO ENTREPRENEURIAL ACTIONS**

According to (Liñán and Fayolle, 2015; Krueger et al., 2000; Elfving et al., 2009), extensive scholarly literature establishes the correlation between entrepreneurial individual, entrepreneurial intention, and entrepreneurial action. (Liñán and Fayolle, 2015; Rauch and Hulsink, 2015; Elfving et al., 2009; Krueger et al., 2000). However, in order to comprehend the factors that facilitate the establishment of a novel organization (entrepreneurial action), one must first grasp the manner in which an entrepreneurial person perceives and interprets the opportunity to accomplish this. Entrepreneurial intention has an impact on this perception, which is a dynamic process.

Theoretically, the research models of entrepreneurial intention sums-up that entrepreneurial action is a

primary resultant of entrepreneurial intention (Krueger *et al.*, 2000; Liñán and Fayolle, 2015; Rauch and Hulsink, 2015). (Heckhausen, 2007; Krueger, 2000, 2009) depicted that, in spite of the model, the choice to carry out an entrepreneurial venture is not a random decision. Further, he suggested that it is a long-term process of achievement. (Brandtstädter, 2009; Heckhausen, 2007; Heckhausen and Gollwitzer, 1987) explained that achieving these objectives is a time taking process and during that phase an individual has to balance between the personal lives and entrepreneurial aspirations. Hence, this phase of involvement generally gets replaced by personal needs and results in losing focus on goal achievement, and maintaining commitment and focus during the inception phase becomes challenging.

### **ENTREPRENEURIAL ACTIONS AMONG STUDENT ENTREPRENEURS**

According to (McMullen and Dimov, 2013) identifying the most accurate factors to depict nascent entrepreneurship has been a subject of interest over the years. There was a general agreement regarding the subsequent series of distinct actions as (Gartner, 1985) summed them:

1. Identifying an opportunity for business
2. Accumulating available resources
3. Marketing of products and services
4. Manufacturing their product
5. Establishing an organization

Notwithstanding this, the above sequence has been questioned in recent decades. There is contention that this division is predicated on the proper definition of entrepreneurship and the theological framework of logical selection of methods and objectives. On the contrary (Scazziota et al., 2023) supplementary methodologies to entrepreneurship have surfaced, that are founded upon innovation, flexibility, and the investigation of unforeseen circumstances. Among these, effectuation (Sarasvathy, 2001) and bricolage (Baker and Nelson, 2005) stand out as participatory factors. (Scazziota et al., 2023) Entrepreneurs apprentice bricolage to confront resource limitations rendered by the environment as an impactful way to establish a controlled environment to confront uncertainty in entrepreneurial action.

### **RESEARCH GAP**

There is very little literature review relates that Entrepreneurship education and intention can impact students actions directly or indirectly. There is no established relationship between entrepreneurial intention and education over entrepreneurial actions. There are still many factors ignored by researchers such as propensity to act, family influence, and education. This study will also focus on various elements that affect entrepreneurship intentions for developing own business. Most of the studies are theoretical in nature and does not provide empirical evidence.

### **CONCLUSION**

According to (Liu et al., 2019) individuals with entrepreneurial aspirations may be unable to launch new enterprises due to personal attributes and the encompassing environment. In other words, while the intention to engage in entrepreneurship is an essential prerequisite for its manifestation, not all prospective entrepreneurs possess the capability to implement their plans despite their desire to establish a business. The continuous discourse surrounding entrepreneurship has had an adverse impact on the progress of EE and the results of research in the field . However, adopting a discerning or prudent stance towards current research in the field of EE does not necessitate the complete disregard of prior discoveries. There is a growing tendency among researchers to employ models of entrepreneurship theory that are either excessively simplistic or intricate, failing to reflect the complexity, heterogeneity, and intensity of entrepreneurial practice. Some researchers try to make things even more confusing by

ignoring the complexities of concepts and contexts in favor of making practical working definitions that do not take into account how their results can be used in other situations or compared to other findings

In conclusion, we say that entrepreneurial education supports entrepreneurial intention factors such as desirability, feasibility which leads to entrepreneurial actions such as becoming an innovator, raising a start-up firm, developing a manufacturing unit or becoming a service provider of various products and services. Government of India is currently running various skill development programmes and support start up initiatives under the Make in India Initiative to help the budding entrepreneurs in the nation. We believe that this will provide a secure and transparent environment for the “student entrepreneurs” to become the “actual entrepreneurs”.

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