ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

FACTOR AFFECTING THE ENTREPRENEURIAL INTENTION OF UNDERGRADUATE'S STUDENT: THE CASE OF BUSINESS AND ENGINEERING FACULTY OF ADDIS ABABA UNIVERSITY.

A Thesis Submitted to the Department of Masters of Business Administration as a Partial Fulfillment of the Requirements for the Award of Master of BusinessAdministration (MBA)

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ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

POST GRADUATE PROGRAM OF BUSINESS ADMINISTRATION

This is to certify that this research entitled "***Factor affecting the entrepreneurial intention of undergraduate's student: The case of business and engineering students of Addis Ababa University.***" It is submitted to the College of Business and Economics at Addis Ababa University in partial fulfilments of the requirements for the Degree of Master of Business Administration in Management. The Thesis done by Eden Moges is an authentic study carried by her effort under our guidance.

Approved by Board of Examiners

Desalegn A. (Ph. D)	_____	July 4, 2024
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DECLARATION

I, the undersigned, declare that this study entitled "***Factor affecting the entrepreneurial intention of undergraduate's student: The case of business and engineering students of Addis Ababa University.***" is the outcome of my effort and study. This study has not been submitted for a degree in any other university. It is submitted to the College of Business and Economics at Addis Ababa University in Partial Fulfilment of the Requirements for the degree of Master of Business Administration. All sources of materials used for the Research have been duly acknowledged, cited, and referenced.

Name: Eden Moges

Date----------

LETTER OF CERTIFICATION

This is to certify that Eden Moges has carried out her study under my supervision on the topic of ***Factor affecting the entrepreneurial intention of undergraduate's student: The case of business and engineering students of Addis Ababa University.*** This work is original and it is suitable for Submission in partial fulfillment of the requirement for the award of Degree Master of Business Administration in Management.

Advisor

Name: Desalegn A. (PhD)

Signature 

Date: 10-06-2024

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Abstract

Examining the variables influencing the entrepreneurial intention of undergraduate business and engineering faculty students at Addis Ababa University was the primary goal of this study. The conceptual framework was created by taking into account the independent variables factors affecting undergraduate students and the dependent variable, entrepreneurial intention. Six research questions and six hypotheses were developed in order to meet the goal. Undergraduate students' entrepreneurial intention was more clearly articulated when particular elements were taken into account, including entrepreneurship education, societal norms, access to capital, attitude towards entrepreneurship, personality traits, and perceived government policy. A quantitative research approach was used in conjunction with explanatory or causal research designs. Cronbach's alpha was assessed to ensure the questionnaire's internal consistency and dependability. Closed-ended questionnaires containing 43 statements on a five-point Likert scale were used to collect the data. With a sample of 285 responders, the study included 995 target populations, all of whom were returned. SPSS was used to analyze the data (version 24). To examine the data and interpret the findings, both descriptive and inferential statistics were applied. The results of correlation analysis demonstrate a statistically significant positive relationship between the entrepreneurial intention of undergraduate students and each of the six factors that were chosen (i.e., entrepreneurship education, social norm, access to capital, attitude toward entrepreneurship, personality traits, and perceived government policy). Furthermore, the regression analysis showed that each of the six variables had a positive and substantial impact on undergraduate students' intentions to pursue entrepreneurship in the Addis Ababa University's business and engineering faculties. The elements that most contributed to the prediction of undergraduate students' propensity to pursue entrepreneurship were found to be those related to entrepreneurial education. The remaining elements personality traits, social norms, perceived government policy, capital access, and attitude toward entrepreneurship all significantly influenced the prediction of undergraduate students' intention to pursue entrepreneurship, in that order. Additionally, 69.1% of the variation in undergraduate students' entrepreneurial intention can be explained by the factors affecting entrepreneurial intention, according to the results of the regression study.

The government has to incorporate entrepreneurship into early education to increase students' awareness of it as a potential career path, as per the research findings and conclusions. Additionally, the institution emphasizes all of the chosen elements; entrepreneurship education, social norms, financial access, attitude toward entrepreneurship, personality qualities, and perceived government policy that have a significant impact on undergraduate students' intentions to pursue entrepreneurship.

Key words: Entrepreneurial education, Access to capital, perceived government policy, Personality traits, social norms, Attitude towards entrepreneurship, Entrepreneurial intention

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List of Acronyms

ANOVA - Variation of analysis

DF - Degree of freedom

SD- Standard deviation

SPSS - Statistical Package for Social Sciences

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

One important strategy for eradicating poverty and advancing social justice is entrepreneurship (Asfawu, 2015). In this study, an entrepreneur is defined as a person who launches and manages a business with little funding and forethought, taking full responsibility for all business-related risks and profits. Numerous studies on the subject have shown that entrepreneurship and economic growth are strongly positively correlated in terms of generating wonderful job opportunities in both urban and rural areas, encouraging creativity and innovation to transform technologies, knowledge, and skills, and ensuring the survival and sustainability of businesses (Fantaye, 2019).

Entrepreneurship is a symbol of a company's strength and prosperity. The modern corporate world owes its success to its entrepreneurs. They are now expected to live up to a criterion that evaluates free enterprise on the basis of opportunity perception, innovation drive, and success rate. Through their leadership, management, creativity, and efficacy in research and development, as well as their ability to create jobs, remain competitive, be productive, and establish new industries, entrepreneurs will continue to play a crucial role in the expansion of the economy. People do consider the surroundings while making decisions because, as Terfa (2007) states. Entrepreneurship is an embedded process in a social, cultural, and economic setting (Guyo & Golo Dida, 2013). More than ever, entrepreneurship and development go hand in hand. Nowadays, organizations and individuals who support development view entrepreneurship as a tactical intervention that has the potential to quicken the process of development. Additionally, organizations and people appear to concur that there is a pressing need to promote entrepreneurship.

Modern national economies are primarily driven by two factors: information and the quick winds of globalization. If we are to address these issues, we must foster and nurture creativity, ingenuity, and flexibility. One theory for a country's long-term economic success is entrepreneurial activity (Romer, 1994). This suggests that entrepreneurial business is necessary

to sustain a nation's economic state (Sarıaslan, 2001). As a result, since the era of globalization, entrepreneurship has grown in importance for every nation since it may contribute to the creation of jobs and lower unemployment rates (Alemayehu & Melkam Getaneh, 2019).

A significant factor in the economic growth of developing nations is entrepreneurship. As a result, the majority of developing nations encourage their people to become entrepreneurs (Guyo & Golo Dida, 2013). Ethiopia's main socioeconomic issues are the country's rapidly expanding population, the establishment of higher education institutions, and the unemployment of university graduates (Ashenf, 2020). The nation's university and college graduates are finding it difficult to get work in both public and private companies because of the unstable economic climate. Consequently, according to Spinelli and Timmons (2009), entrepreneurship is a process that may merge people, opportunity, and resources. A primary goal of the Ethiopian government's economic strategy is to promote an entrepreneurial culture. In an effort to lower the number of graduates, the Ethiopian government is pushing recent graduates to found small enterprises unemployment rate. This will encourage graduates to generate their own job opportunities rather than just looking for them. Every year, a greater number of graduates join the workforce. The demand for jobs outpaces the supply. Looking elsewhere is necessary because academic credentials do not automatically guarantee a person a job after graduation (Asfawu, 2015)

How to increase people's propensity to create new entrepreneurial ventures was one of the key questions addressed by the release of the European Commission's 2003 "Green Paper on Entrepreneurship." When considering entrepreneurship as a mindset, the goal is to inspire more people to become entrepreneurs and get ready for the role, in addition to removing obstacles that stand in the way of company expansion and success. This can be accomplished by fostering an entrepreneurial mindset and altering people's perceptions of self-employment as a respectable kind of work. This suggests that the genesis of entrepreneurship can be influenced by purpose.

It is also a tool used by nations to assess its population to see whether or not they have the potential to become entrepreneurs. This is due to the fact that the best predictor of entrepreneurship, according to Krueger (2000), is an entrepreneurial intention. Furthermore,

(Ashenf, 2020) described entrepreneurial aspirations as the driving forces behind people's pursuit of entrepreneurial goals.

Regretfully, a number of studies and reports, such as Asfawu (2015), demonstrate that Ethiopia has a remarkably low level of entrepreneurial purpose when compared to other nations. Sub-Saharan Africa has the highest average level of entrepreneurial intents of any region, at 53%, according to the (Ashenf, 2020) study report. Comparing Ethiopia to the average of sub-Saharan Africa, the country is scored with a lower level of entrepreneurial inclinations (24%). Considering the Survey mentioned above, Ethiopia is among the nations in the area with the lowest intention rates, which will have an impact on the country's universities as well as its overall economic performance. This study was focused on concepts of factors affecting undergraduate students of business and engineering faculty in Addis Ababa University.

1.2. Statement of the problem

Ethiopia's public and private higher education institutions aim to graduate a growing number of undergraduate students each year, and this is in line with their stated objective. This figure is also increasing as the number of new universities opens up and as more nationally recognized colleges raise their admissions limits. The supply of educated human resources would eventually surpass the demand from both public and private entities. If students don't take self-employment seriously as a career option, this will definitely lead to an unemployment crisis among them. Thus, the most viable professional path for undergraduates is entrepreneurship.

Ethiopia's history of entrepreneurship as a viable career path has historically been negatively impacted. During the feudal era, government employments were the preferred career path for educated individuals seeking financial stability, pride, and security. Entrepreneurship was viewed as an undesirable occupation. Being an entrepreneur was viewed as a blue-collar profession, reserved for those with modest social standing. Blue collar employments were viewed negatively (Guyo & Golo Dida, 2013).

These days, university students are seen to have a good chance of finding job through entrepreneurship. Ethiopia's education strategy seeks to provide students with the know-how and abilities that would enable them to launch their own business in the future (Guyo and Golo 2013). In the end, education ought to provide students with the information and abilities necessary to launch their own enterprises in addition to enabling them to work in public and commercial institutions. The theory of planned behavior (TPB) contends that providing students with the information and skills they need now does not ensure that they will go on to launch their own business in the future. The first step in deciding to launch a new company is to have an entrepreneurial intention. Therefore, pupils should need to have an entrepreneurial intention in order to become entrepreneurs in the future. According to a 2013 survey by Guyo & Golo, self-employment is the least favored labor market segment among Ethiopia's highly skilled human resources. This demonstrates that in order to inspire more students to start their own businesses, educators and legislators need to learn more about self-employment. To do this, it is unclear how students' aspirations to launch their own businesses are influenced by environmental and demographic factors. Therefore, the degree of students' entrepreneurial purpose and any potential influences on that should be known to policymakers and educators on that goal in order to build an effective program and encourage it among students.

Studies are carried out in both developed and underdeveloped nations. A study on the predictors of university undergraduates' entrepreneurial inclinations was conducted by Phuong T. H. in 2015. Students in Vietnam demonstrate that the desire to launch a business was significantly influenced by risk-taking tendencies, locus of control, achievement needs, perceived support, and inventiveness. According to a Bangladeshi study, taking risks and the entrepreneurship courses that universities offer are the biggest factors in determining whether or not a person starts a firm. Furthermore, there was a noteworthy distinction in the inclination towards entrepreneurship between students who identified as male and female, as well as between students whose families were in the business and non-business sectors (Guyo & Golo Dida, 2013).

On the other hand, the demographic factors of age and gender had little bearing on students' aspirations to start their own business. According to (Ashenf, 2020), intentions to start a business are unaffected by demographic factors. According to a study on Singaporean university students,

those with business parents are more interested in entrepreneurship than students without such parents. Suraju (2016) conducted a study in Nigeria which shown that university graduates' intention to pursue entrepreneurship might be significantly predicted by entrepreneurship education as well as personality qualities such as innovativeness and risk-taking tendency. A study conducted in Eritrea by Petros Woldu & Dawit Teclemariam (2016) found no significant difference in the intention of the students to pursue entrepreneurship, while a study conducted in 2013 by Guyo & Golo Dida found no evidence of a relationship between the family background and the entrepreneurial education of the students. Additionally, Ashenf's (2020) study's results showed that entrepreneurship education has a major mediating function between the variables indicated above and the aspirations of university students to pursue entrepreneurship.

According to Ashenf's (2020) research, students' entrepreneurial intention can be significantly enhanced by self-efficacy when it is accompanied by entrepreneurship education. The results demonstrated a significant positive relationship between social norms and entrepreneurial intention. The results demonstrated that neither perceived availability to funding nor entrepreneurial intention were significantly correlated with one other, nor with perceived government policy and intention.

Another study conducted in Kenya by George (2017) found that although perceived financial restrictions and a propensity for taking risks were important factors in predicting students' entrepreneurial aspirations, culture, friends, and family had little to no influence on those intentions. Numerous researches on the business goals of TVET and university graduates in Ethiopia have also been conducted. The findings of these investigations varied.

Megibaru (2014) found that students' intention to launch their own company after graduating from Gonder University is highly influenced by taking an entrepreneurship course, having a role model in the industry, being a woman, and coming from a family background. (Sileshi Leta, 2017) conducted a study in the regional state of Oromia and discovered that internal locus of control and monetary value had a significant influence on graduating students' decisions to pursue self-employment as a career.

According to a study by (Jemal, 2017), graduating students at Jimma University's entrepreneurial purpose is influenced by their readiness to take on risk. Additionally, it is suggested by (Alemayehu & Melkam Getaneh, 2019) that students studying business and those studying non-business will be beneficial in comprehending the differences in entrepreneurial aspirations. Therefore, it is anticipated that this study was bridge the information gap by examining the factors affecting intentions of undergraduate engineering and business students (social norm, educational background, access to capital, attitude towards entrepreneurship, personality traits and perceived government policy) toward entrepreneurial activities, which justifies the study's conduct.

1.4. Objective of the Study

1.4.1. General Objective

This study's main goal was to investigate the variables influencing the entrepreneurial intention of undergraduate business and engineering students at Addis Ababa University.

1.4.2. Specific Objectives

The specific objectives of the study were: -

1) To determine how social norms affect undergraduate business and engineering students at Addis Ababa University's inclination to pursue entrepreneurship.
2) To ascertain how entrepreneurship education affects undergraduate business and engineering students at Addis Abeba University's intention to pursue entrepreneurship.
3) To investigate how undergraduate business and engineering students at Addis Ababa University access to cash affects their desire to pursue entrepreneurship.
4) To examine how undergraduate business and engineering students at Addis Ababa University attitude toward entrepreneurship affects their intention to start their own business.
5) To investigate how personal traits affect the entrepreneurial intention of undergraduate business and engineering students at Addis Ababa University.
6) To identify the effect of perceived government policy on the entrepreneurial intention of Addis Ababa University business and engineering undergraduate students.

1.5. Significance of the study

Kirby (2004) asserts that students must cultivate personal qualities, skills, and behavioral patterns that strengthen their entrepreneurial capacities in order to equip them for the demands of the twenty-first-century entrepreneurial environment.
Consequently, the study's conclusions will provide insightful guidance to academics, educational policy developers, and government officials who create, implement, and assess the effectiveness of the nation's university education systems and implement the required adjustments to promote university students' entrepreneurial mindsets.

Furthermore, this is essential for a nation like Ethiopia, which seeks to foster an entrepreneurial culture in order to sustain its rapid economic growth and reduce the problem of unemployment there. Apart from the previously mentioned advantages, this study will contribute to the comprehension of the notion of entrepreneurial intention among engineering and business students in Ethiopia, particularly at Addis Ababa University. In the Ethiopian context, this study is merely the beginning. More thorough research will be required to completely comprehend the antecedents of entrepreneurial inclinations, and this work will serve as a guide for future academics who wish to investigate this topic further.

Ultimately, a lot of young college grads would rather work than launch their own companies. In order to support the entrepreneurial intentions of potential new business owners, policy makers need information on university students' entrepreneurial intentions, which is why this study aims to identify the factors that influence these intentions. Students who have entrepreneurial intentions prefer entrepreneurship as a career option.

1.6. Scope of the Study

Numerous studies have been conducted using various theories and models to investigate the factors influencing undergraduate students' intention to pursue entrepreneurship. However, the scope of this work is restricted to seven variables: perceived government policy as an antecedent of entrepreneurial intention; societal norm; educational background; availability to finance; attitude toward entrepreneurship; and personality traits. The entrepreneurial intention of students

and the factors influencing those inclinations are the main subjects of this study. The conceptual scope of the study is limited to six independent variables. Only undergraduate business and engineering students may use the study's findings as a generalization because only these students were involved in it. The study intends to add to a thorough understanding of entrepreneurial intention and the factors that directly influence those goals by exploring the scope mentioned above.

1.7. Limitation of the study

A few restrictions apply to this study. First, despite the possibility that there are other factors impacting university students' entrepreneurial inclination, only s independent variables were looked at in this study.

1.8. Organization of the Paper

Five chapters make up the structural division of the thesis. A brief summary, problem description, research questions, study objectives, study importance, scope, and limits are all included in the first chapter. Chapter two through an analysis of relevant literature, a thorough theoretical, empirical, and conceptual framework is presented. Chapter 3 covers the target population and sample, data type and source, data collection techniques, data analysis and presentation techniques, and study approach and design. Chapter 4 covers data presentation, analysis, and interpretation. Chapter 5 covers the study's primary results, recommendations, and final findings.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

The primary focus of this chapter is a review of relevant literature that is significant to the investigation. The definition and associated ideas of entrepreneurship and entrepreneurial intents were specified in this chapter, along with the words for the study's independent and dependent variables.

2.1 Theoretical Literature Reviews

2.1.1 Entrepreneur and Entrepreneurship

Not everyone understands the definition of "entrepreneur" or the field of entrepreneurship. This is the result of many researchers assigning various interpretations to the phrases. (Alemayehu & Melkam Getaneh, 2019) define an entrepreneur as a person who specializes in taking responsibility and making crucial decisions that affect the configuration, positioning, and use of assets, organizations, or products. According to Kuratko (2004), an entrepreneur is a person who launches a new company and employs a range of strategies to manage uncertainty. Furthermore, an entrepreneur is a person who starts (creates) a new, independent business venture that is profitable.

The past 20 years have seen a significant increase in interest in entrepreneurship. Entrepreneurs make significant contributions, such as to processes and products. One of the primary contributions of entrepreneurs is innovation and employment creation (Davidsson, 2008). Although academics and researchers have given several definitions to entrepreneurship, they usually have some characteristics. These include organizing, creating, taking risks, identifying and recognizing opportunities, and being new (Asfawu, 2015). Renowned scholars on entrepreneurship define entrepreneurship as the process of creating something novel and worthwhile by devoting the necessary time and effort, accepting the associated risks in terms of money, psychology, and society, and enjoying the benefits of financial gain and independence (Alemayehu & Melkam Getaneh, 2019).

It is thought that entrepreneurship, especially among the younger generation, is a successful technique in addressing the problem of unemployment. By giving them the scientific information, abilities, and capacity to launch and grow new businesses, entrepreneurship plays a crucial role in enhancing potential entrepreneurs and guiding them toward entrepreneurship and growth (Demissae, 2020). One well-known tool for achieving success and economic progress is entrepreneurship. According to Missae (2020), entrepreneurship is seen to assist society by identifying economic possibilities, producing ideas and resources that are used to generate new products and services or by boosting the effectiveness of already-existing ones. According to Fantaye (2019), entrepreneurship is the behavior notion of entrepreneurship, which refers to "entrepreneurial behavior" in the sense of seizing an opportunity. Krueger (2000) states that entrepreneurship can be understood as both a purposeful, planned behavior and as of late, entrepreneurship has come to be understood as an innovative and creative process supported by the government, the constitution, education, and four dimensions: the individual, the organization, the environment, and the process (Kuratko, 2004).

2.1.2 Entrepreneurial Intention

According to Bandura (2001), an intention is a representation of a future course of action that must be pursued; it is a proactive promise to actually bring about rather than just a hope for future action. Even if someone has the potential to start their own business, they might not do so until they make a deliberate decision to do so. (Fantaye, 2019) Usually, it requires courage, determination, and self-sufficiency. This suggests that action cannot exist in the absence of intention. The core of the action plan is an intention. This implies that action is unlikely to occur without purpose. A determination to launch a new company is known as an entrepreneurial intention. According to Krueger (2000), it is the level of dedication devoted to executing the entrepreneurial venture of starting a business for self-employment.

It is essential to comprehend entrepreneurial intention, which drives individuals to launch their own companies, in order to comprehend the entrepreneurial process. The increasing conscious state of mind that leads someone to want to launch a new business or develop new core values

inside an already-existing firm is known as entrepreneurial intention. (Getaneh Melkam & Alemayehu, 2019) Entrepreneurial intents are necessary for a country, area, or organization to have the recovery power to weather economic downturns and self-reforming features (Shapero, 1981). Additional more an entrepreneur's mindset that focuses attention, experience, and activities on a business notion is known as entrepreneurial intention (Bird, 1988). The willingness to engage in entrepreneurial activity or go self-employed rather than work for a salary is what is referred to as entrepreneurial intention. Kolvereid and Tkachev (1999). It is described as the readiness to work for oneself rather than for an employer. Entrepreneurial intention is controlled by both individuals and the environment; the more strongly one wishes to engage in a given conduct, the more likely one is to do so. Due to personal competence and self-efficiency, a person may have the capacity to become an entrepreneur, but lack of intention may prevent them from doing so (Shane S. & Venkataraman, 2003). The willingness to work for oneself is the definition of entrepreneurial intention for the purposes of this study.

2.1.3 Theory on Entrepreneurial Intention

Numerous concepts can be used to assess the research of entrepreneurial intent. In this literature review, we briefly address two well-known theories of entrepreneurial intention: the theory of planned action and the theory of entrepreneurial event.

2.1.3.1 Theory of planned behavior

Entrepreneurship is one type of intentional planned behavior (Chanee, 2010). Seeing how others act in a given scenario and their own perceptions might help determine if someone would eventually follow a particular course. Ajzen (1991) developed the theory of planned behavior (TPB) by building on Fishbein and Ajzen's (1975) theory of reasoned action (TRA). According to Engle (2010), the TPB model is an important cognitive process model that is applied when assessing entrepreneurial ambition. The model shows how pertinent variables and human behavior are closely related. According to this hypothesis, conduct can be best predicted by purpose. Ambition for entrepreneurship is the best approach to understand entrepreneurship. (Ajzen, 1991) The hypothesis states that three distinct factors can account for intention. These three variables include perceived behavioral control, subjective norm, and attitude toward the behaviors.

Attitude toward the behavior

The degree to which an individual regards starting their own business favorably or unfavorably is known as their attitude toward the behavior. It's the degree to which a person has a positive or negative opinion on the activity in question (Ajzen, 1991). This construct depends on expectations and notions of how the activity will influence the individual directly, and it heavily emphasizes how desirable it is for that person to engage in the behavior. Consequently, the TPB states that an individual's desire to carry out the activity under discussion should be stronger the more positive their mood is (Ajzen, 1991).

Social Norm

From the viewpoint of the individual, a social norm is the belief that others have about whether or not a particular conduct should be displayed. The decision to behave in that entrepreneurial way is influenced by social pressure. Perceived social norms are defined by one of the primary TPB components (Ajzen, 1991) as respondents' perceptions of what important people in their lives think about doing a specific action. It would also cover the expectations of the individual's family about the benefits of launching a business of one's own. It can also determine how much societal pressure there is to either engage in or avoid that entrepreneurial endeavor. Therefore, the TPB states that an individual's desire to engage in a behavior should be stronger the more favorable the subjective norm is with regard to that conduct (Fantaye, 2019).

Perceived behavioral control

Relates to how easy or difficult the targeted action is to execute (starting a business). The perception and confidence a person has in their capacity to function as an entrepreneur, exercise control, and be successful in their endeavors is known as perceived behavioral control (Ajzen, 1991). The more the perceived behavioral control, the stronger the individual's intention to engage in the behavior under discussion (Fantaye, 2019).

An individual's purpose to display a behavior is directly impacted by the three previously mentioned factors. Thus, it is thought to be possible to use TPB to look into entrepreneurial intention. According to (Ajzen, 1991), entrepreneurial action is a purposefully intended consequence. Thus, one may simply predict whether or not a person would ultimately take action

by seeing how they perceive and behave in specific situations. According to this notion, the establishment of a new firm is a deliberate and planned conduct.

In fact, studies have demonstrated that TPB is a significant and useful model for understanding and investigating business goals (Moriano, 2011). Although TPB has proven to be a helpful method in studies on entrepreneurial intention, the model's capacity to explain and determine intention has to be strengthened by adding more relevant variables.

2.1.3.2 Theory of entrepreneurial event

The Entrepreneurial Event Model (SEE), created in 1982 by Shapero and Sokol, posits that the desire to launch a firm is derived from an inclination to seize chances and from evaluations of their viability and appeal. According to this theory, a variety of contextual factors that together affect how people perceive things come together to make companies. An external event or other catalyst would cause the entrepreneurial alternative to be examined (Kuratko, 2004). Two categories can be used to classify perceptions. These are perceived attraction and perceived feasibility.

The degree to which a person finds a specific behavior—such as being an entrepreneur—attractive is known as perceived desirability. The concept of perceived feasibility describes how someone feels about their own capacity to engage in a particular behavior. Based on these beliefs, this study tried to look at entrepreneurial desire and the perceived contextual factors that can affect it. According to Bloodgood (1995), a variety of factors, such as financial institutions, governmental organizations, local communities, families, and laws and regulations, may have an impact on an entrepreneur's intentions and deeds.

The theory of entrepreneurial events states that the way a new business is formed depends on how it perceives its environment. Perceived desirability and feasibility are influenced by contextual circumstances; they are two antecedents of entrepreneurial intention, which in turn influences entrepreneurial intention. This study attempted to look at a few contextual factors that affect entrepreneurial intention in accordance with this idea.

2.1.4. Relationship between independent variables and Entrepreneurial intention

The dependent variable is entrepreneurial intention, while the independent variables are access to capital, attitude towards entrepreneurship, social norms, perceived government policy, education in entrepreneurship, and personality traits.

2.1.4.1. Demographic factors on Entrepreneurship Intentions

Previous research has shown that an individual's entrepreneurial inclination can be influenced by demographic factors including gender and family history. Matthews (1995) While there is some disagreement among researchers, most studies indicate that men are more likely than women to be entrepreneurial (Dunn, 2004; Sandhu, 2011; Vaciana, 2005); additionally, people from business-oriented families are more likely to be entrepreneurial than those from non-business-oriented families. Consequently, the purpose of this study is to investigate how university students' intentions to start their own business are influenced by their gender and family background.

Gender

Men and women differ greatly in many aspects when it comes to entrepreneurship. Women's access to resources and shorter workweeks may be partially responsible for some of the variations between these two groups of people. Additionally, women's time is heavily competing with family chores, which leaves less time for starting a business. Due to these factors, men are more inclined than women to establish new firms since they have stronger entrepreneurial ambitions and are hence more interested in doing so (Phan, 2002). Men are more likely than women with similar backgrounds to pursue entrepreneurial businesses, according to a 1992 study by Brush.

Numerous studies have demonstrated that women experience greater challenges during the pioneering phase than do males. In particular, women business owners have greater difficulty obtaining funding to launch or grow their companies Fay and Williams (1993). Research from several countries has shown that women entrepreneurs have a very low objective success rate, slower growth, fewer earnings, and lower sales (Brush, 1992). Numerous studies show that

gender stereotypes have an impact on men's and women's inclinations to engage in and pursue entrepreneurship as a career (Gupta, 2007). Gender is defined in this study as either male or female.

2.1.5. Environmental factors and entrepreneurial intention

The term "environmental factors" refers to a wide range of components that can affect a person's inclination to pursue entrepreneurship (Lüthje 2003). If someone believes there are chances all around them, they will build their entrepreneurial potential (Kirby, 2006). Stated differently, an individual's desire to start a business could be impacted by perceived outside variables. As a result, if someone believes that the environment encourages entrepreneurship, their intention to start their own business will grow; conversely, if they believe that the environment inhibits entrepreneurship, their intention will decrease.

As per Thurik (2002), an individual's inclination towards entrepreneurship can be influenced by an array of environmental circumstances. This study aims to explore the relationship between the inclination to start a business and government policy, entrepreneurship education, societal norms, and financial availability.

Social norm and entrepreneurial intention

The social norm—defined as "perceived social pressure to perform or not perform the behavior"—is another contextual component that affects intention. (Ajzen, 1991). An individual's intention to act in a particular way may be influenced by the requests made by others who are close to them. We refer to this idea of planned behavior as subjective norms. The way their parents, friends, and family react to their ambition to start their own business will influence their goal to do so.

According to Demissae (2020), it is projected that students would be dissuaded from pursuing entrepreneurship if they receive negative feedback from their friends. Positive opinions from one's social circle about starting a new company will positively affect one's attractiveness and ambition to pursue an entrepreneurial career, and vice versa. Contradictory findings have been found in earlier studies on the connection between social norm and entrepreneurial intention. For example, according to Moriano (2011), one of the main factors influencing a person's decision to

start a business is society standards. This study suggests that the pressure friends and society as a whole put on students to choose one career route over another is a social norm.

Perceived Government Policy

Starting a new business can be difficult for people for a variety of reasons, such as social and economic situations, rules and regulations that are in place, government policies, etc. If there were a lot of probative rules, entrepreneurs would be discouraged from starting new businesses. Feugel (2001). According to (Nguyen 2008), a person who wishes to launch a new company might never do so because they are deterred by the unfavorable climate or believe that it is impossible because of the institutions, rules, and regulations that obstruct the process of entrepreneurship. As per Klapper (2004), it is imperative to provide an appropriate entrepreneurial milieu that genuinely stimulates entrepreneurial endeavors. The government's policies, including loans and rules and regulations, are unquestionably important prerequisites for successfully fostering and advancing entrepreneurship. Therefore, studies attempted to evaluate students' opinions regarding general legal and regulatory frameworks, funding opportunities for starting businesses, and political conditions.

Entrepreneurship Education

The education of students may have an impact on their entrepreneurial self-efficacy and attitudes about entrepreneurship. Lower levels of entrepreneurial intention are found in students who receive less instruction in entrepreneurship (Frankeluthje, 2002). According to Dyer (1994), taking entrepreneurship classes and getting instruction on starting a new business gives people the boldness and confidence to start their own businesses. Entrepreneurship education can change students' perceptions of whether starting their own business is viable by broadening their knowledge bases, increasing their self-efficacy, and building confidence (Krueger, 2000).

Three important functions that entrepreneurship education may play in fostering an inventive society are listed by Redfort (2007). In addition to introducing students to entrepreneurship as a potential career path, it may also serve as a general advocate for the kind of inventiveness and thinking used in entrepreneurial ventures. By helping students acquire the business and technical information required for a successful entrepreneurial career, it also aids in the development of

skills. Finally, it might advance scientific research by adding to the body of knowledge about the entrepreneurial phenomenon.

The goals of entrepreneurship education are to alter students' perspectives so they can comprehend entrepreneurship and become entrepreneurs themselves, which will ultimately lead to the creation of new companies and job possibilities (Keat, 2011).) Students' understanding of the value of entrepreneurship and its potential benefits to society, the economy, and local communities can be enhanced through entrepreneurship education. Students who study entrepreneurship become aware of the opportunities it presents and develop an understanding of entrepreneurship as a career route (MJ. Scheepers 2009). According to this study, entrepreneurship education refers to the course or courses offered to students that may have an impact on their choice of vocation.

Perceived Access to Finance

The main barriers to business innovation and development in underdeveloped countries, according to (Kristiansen S. &., 2004), are financial institution constraints and a lack of access to capital and credit options. A study conducted in Ireland by Fleming (1994) found that a lack of financial resources is a barrier that influences university students' chosen future job choices. The pupils do not view entrepreneurship as their ideal future career due to financial constraints. According to Grillo and Thurik (2005), people's decisions to become entrepreneurs are negatively impacted by their financial situation, and starting a new business is difficult when there is insufficient capital, which has an immediate impact on people's abilities to work for themselves. To start a firm, one must be able to obtain funds, according to (Greene 2005). This study views cash as an essential component of beginning capital for new firms, which may impede the capacity of younger individuals to start their own enterprises.

2.1.6. Personality Factor and Entrepreneurial Intention

Personality variables are becoming more and more acceptable as an explanation for entrepreneurial activities and goals (Kadir, 2012). the propensity of certain personality traits to often influence how people feel. Taking risks and having a strong sense of control are two of

these traits. The focus of the personality trait approach used to assess entrepreneurial intent is on traits such as locus of control and risk-taking (Ruhland, 2004).

Risk Taking Propensity

Being willing to attempt new things and take chances is one of the most important characteristics of entrepreneurs. The willingness to take risks has a big impact on the decision to launch a business (Kritikos 2006). Consequently, Phuong T. H. (2015) discovered that undergraduate students' intention to establish a business was significantly influenced by their tendency for accepting risks. On the other hand, (Agbim, 2013) discovered that students' risk-taking behavior has no bearing on their intention to become entrepreneurs.

Locus of Control

The general notion of locus of control holds that a person has some degree of influence over their own fate. Kadir and associates (2010). Individuals with an external locus of control think that other people's success in different endeavors affects their own performance and that life events are predetermined by outside factors like fate, luck, or chance. Conversely, those who have an internal locus of control feel that they have some influence over the course of events in their lives. According to (Ruhland 2004), students who have an internal locus of control will eventually come to perceive entrepreneurship more favorably than students who do not.

All of the attitude changes were tubed in a positive direction away from the locus of control, as demonstrated by Ruhland (2004). According to Hulsink (2003), people with an internal locus of control are better at creating entrepreneurial processes because they can recognize, nurture, and assess outside opportunities. Furthermore, they are more emotionally stable and reliable than people who have an external locus of control. The research by Kristiansen S. & colleagues indicates that students' locus of control has no bearing on their desire to launch their own company. Conversely, Megibaru (2014) found that locus of control has a major impact on the desire to start one's own business.

2.2. Empirical Literature Review

Numerous research on university students' intentions to pursue entrepreneurship have been conducted. According to several of this research (Megibaru, 2014), graduating students at Gondar University's entrepreneurial purpose is significantly influenced by their gender, family background, and entrepreneurship education. Waktole (2017) discovered that students' decisions to pursue entrepreneurship as a career were significantly influenced by their internal locus of control and their access to money. According to a study by (Jemal, 2017), graduating students at Jimma University's entrepreneurial purpose is influenced by their willingness to accept risks.

Students with business parents are more interested in entrepreneurship than students without such parents, according to Wang and Wong's (2004) study of university students in Singapore. There is a clear correlation between having family role models and wanting to pursue an entrepreneurial career, claims Haapenen (2007). According to Matthews (1996), a study conducted on business administration majors at universities found that the presence of business-owning families and the students' gender had an impact on the students' entrepreneurial attitudes.

According to Herbert (2009), a study on the entrepreneurial intention of French and American students revealed that the USA had higher levels of entrepreneurial intention than the other country because of the country's entrepreneurial cultural settings, which encouraged students to start their own businesses and had a positive attitude toward doing so.
A study involving students from Norway and Indonesia was conducted, according to (Kristiansen S. &.). According to the study, one culture had a high degree of entrepreneurial intention while another had a low level. As per Bose (2012), the most influential factors for starting a business in Bangladesh are risk-taking and the entrepreneurial education provided by universities. In a survey of students taking an introductory entrepreneurship course, Clark et al. (1984) found that 80% of the students planned to start their own business by the end of the course, and that the course had a major influence on their decision to become entrepreneurs (76%). According to Norudin (2007), there is a strong correlation between the financial component and the students' propensity to start their own business.

On the other hand, an Eritrean study (Petros, 2016) shown that neither family background nor entrepreneurship education influences students' inclination to launch their own company. However, just like it does for Nigerian students, risk-taking readiness positively and significantly influences the entrepreneurial ambition of Eritrean higher education students. Additionally, a study carried out in Kenya by George (2017) found that although perceived financial constraints and a propensity for taking risks were important factors in determining students' entrepreneurial ambitions, there was no significant influence of culture, family, or friends on students' intentions to start a firm.

2.3. Conceptual Frameworks

Kothari (2004) claims that, the conceptual framework shows how the independent and dependent variables were related to each other. According to Fogel (1994), entrepreneurial ambition is the cornerstone of pursuing entrepreneurship. Understanding the elements driving entrepreneurial intention is so crucial. An important first step in entrepreneurship is having an entrepreneurial intention. The framework of the accompanying graphic illustrates how several factors influence the dependent variable, or entrepreneurial intention. As a result, the researcher developed the framework that follows to serve as the study's compass after studying the literature on the topic of entrepreneurial intention and its factors.

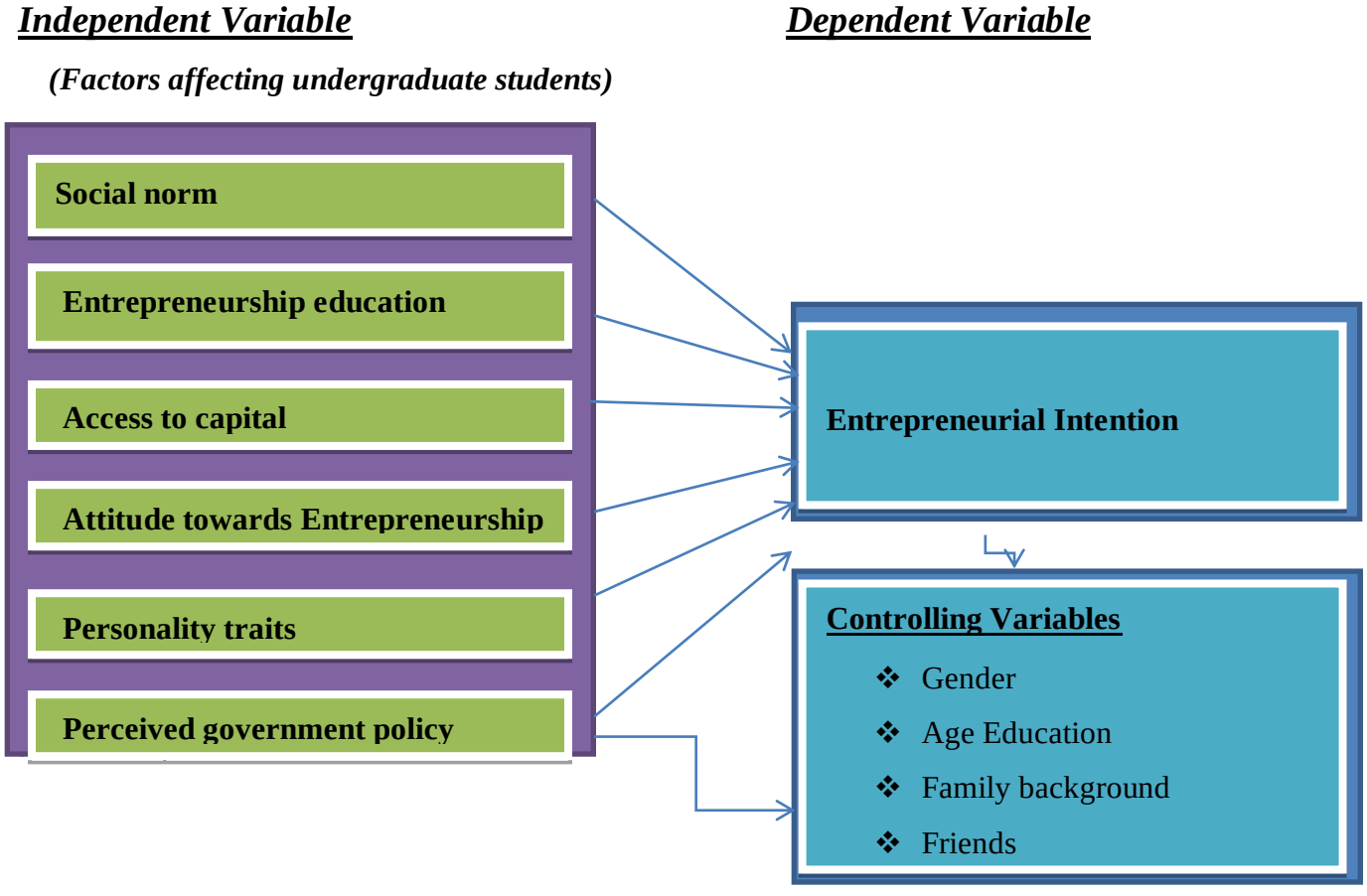

Figure 1: Conceptual Framework (source from theory)

2.4. Research Hypothesis

To determine if there is enough evidence in a data sample to conclude that a specific condition holds true for the population as a whole, a statistical technique known as a hypothesis test is utilized. Two opposing theories about a population are examined: the null hypothesis and the alternative hypothesis. The null hypothesis is the assertion that is the subject of the inquiry. The null hypothesis is an assertion that there is "no effect" or "no difference". The alternative hypothesis is the claim that you expect to be able to validate. Based on the sample data, the test determines whether to reject the null hypothesis. The p-value was utilized by the investigator to arrive at the conclusion. If the p-value is less than or equal to the level of significance, which is a cut-off point that you define, you can reject the null hypothesis.

Therefore, based on the conceptual frame work and research questions, the summary of hypothesis are outlined in such manner as follows.

Hypothesis 1

H0: There is no a significant relationship between social norm and entrepreneurial intention of undergraduate students.

Hypothesis 2

H0: There is a no significant relationship between entrepreneurship education and entrepreneurial intention of undergraduate students.

Hypothesis 3

H0: There is no a significant relationship between access to capital and entrepreneurial intention of undergraduate students.

Hypothesis 4

H0: There is no a significant relationship between attitude towards entrepreneurship and entrepreneurial intention of undergraduate students.

Hypothesis 5

H0: There is no a significant relationship between personality traits and entrepreneurial intention of undergraduate students.

Hypothesis 6

H0: There is no a significant relationship between perceived government policy and entrepreneurial intention of undergraduate students.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1. Introduction

The research design and methodology employed in the study are described in this chapter. The particular science of research that is used to carry out predefined research is known as research methodology. Therefore, every particular technique employed to complete this thesis is provided in this chapter. It contains information about the research design, methodology, target population, sampling strategies, sources of data, data collection strategies, data analysis strategies, model specifications, and ethical considerations.

3.2. Research Design

Cooper and Schindler (2006) claim that research design acts as a guide for accomplishing study objectives and responding to inquiries. It falls into three kinds (Saunders, Lewis, and Thorhill, 2009): exploratory research, causal or explanatory research, and descriptive research. The purpose of exploratory research projects is to define a problem for a more in-depth analysis, emphasizing the discovery of concepts and insights. Descriptive studies are also studies that describe the characteristics of a particular individual or group. Causal or explanatory studies are those that investigate hypotheses of causal relationships between variables. Explanatory research design is concerned with investigating a subject or problem to clarify the relationship between variables (Saunders, Lewis, and Thorhill, 2009). This study employed explanatory research approaches in order to explore the causal relationship between the variables influencing undergraduate students' intention to pursue entrepreneurship.

3.3. Research Approach

The quantitative method and the qualitative approach are the two basic research approaches, according to Kothari (2004). As part of the quantitative method, quantitative data must be created and then thoroughly and strictly submitted to quantitative analysis. In contrast, the subjective assessment of attitudes, beliefs, and behaviors is the main emphasis of the qualitative approach. This study employed a quantitative research approach to examine the factors influencing undergraduate students' willingness to pursue entrepreneurship. According to Saunders, Lewis, and Thorhill (2009), this method is helpful for gathering results in the form of

standardized and quantifiable data as well as for investigating, presenting, characterizing, and analyzing linkages and patterns within data.

3.4. Sampling Design

3.4.1. Target Population

Final-year ordinary undergraduate business and engineering students at Addis Ababa University made up the study's population. The faculty of business and engineering picked the final-year students in order to learn more about their attitudes about entrepreneurship. This group of students was chosen because they were ready to either enter the workforce or choose a career path.

A total of 995 graduating students were the target population. 382 students were engineering majors and 613 students were undergraduate business students out of the total enrollment. As per Kothari's (2004) assertion, when the population to be sampled is not homogeneous, the stratified sampling approach is generally employed to get a representative sample. When stratified sampling is used, the population is divided into several subpopulations, each of which is more homogeneous than the total population, and then a sample is composed of items selected from each stratum. In keeping with the aforementioned idea, the study used both stratified and random sampling procedures. Because the target group was heterogeneous, proportionate stratified sampling was determined to be the most acceptable method for this investigation. There would be two main strata in the study's first phase since business and engineering students were selected through stratified sampling.

TABLE 3. 1: Summary of Target Population by Program

Program	Number	Percentage
Engineering student	382	38%
Business student	613	62%

Total	995	100%

(Source: Addis Ababa university registral office, 2023)

Following this, there are further department-based strata. Accordingly, there are five business student strata and five engineering strata, as shown in the table below.

3.4.2. Sample Size Determination

In order to determine sample size, the researcher used sample determination formula developed by). (Yamane, 1967.)

$$n = \frac{N}{1+N(e)\text{^}2}$$

$$n = \frac{995}{1+995(0.05)\text{^}2}$$

n=285 students

Where: n is sample size

3.4.3. Sampling Technique

A sample, according to Sekeran (2001), is a portion of the population that has traits in common with the entire population. The researcher used the stratified sampling approach, which was learned by all undergraduate business and engineering majors, to select the right sample for this investigation. The stratified proportionate random sampling technique gives a more precise total population parameter and a more representative sample from a reasonably varied population (Denscombe, 2007). Simple random sampling was used to select 285 respondents from each study strata. The best approach was chosen because it allowed the researcher to use statistical methods to assess sample results.

3.5. Sources of Data

In order to obtain a picture of the current circumstances pertaining to the elements influencing the entrepreneurial purpose of undergraduate students in the business and engineering faculties of Addis Ababa University, the researcher examined primary data. As a result, standardized questionnaires were used to gather primary data from undergraduate students in the business and engineering departments.

3.6. Data Collection Method

To obtain the necessary data, the following procedure was followed: first, an expert evaluated the questionnaire's compatibility with the students in order to verify the produced items. In addition, a pilot test was run to evaluate reliability. From the sample, fifteen employees were chosen to verify three things: that all questions are understood; that there are no grammatical or spelling problems; and that the instrument ranking order is improved and modified in response to feedback. Cronbach alpha was then used to estimate the survey's reliability. After the pilot test, 285 samples that the researcher had selected for the study were given the questionnaire. Respondents selected one of the options on the questionnaire as a potential response. There were five scales on the Likert scale: 1 for "strongly disagree," 2 for "disagree," 3 for "neutral," 4 for "agree," and 5 for "strongly agree." All sample respondents received orientation during distribution, which included instructions on how to complete the questionnaire. As a result, completed questionnaires are gathered from each respondent in accordance with the schedule specified for gathering data and prepared for analysis.

3.7. Method of Data Analysis

To accomplish the objectives outlined in the preceding section, data from the structured questionnaire was analyzed using the Software Package for Social Science (SPSS) version 24. In addition, the researcher employed descriptive statistics including frequencies, percentages, means, and standard deviations in SPSS version 24 to compile and display the data. Correlation was one way to use ANVOA to calculate the degree of reaction to each item of dependent and independent variables; associations between dependent and independent variables was another way to use ANVOA. Regression analysis is also used to determine how much the dependent

variable is influenced by independent factors. This study examined the extent to which workers' training affected their job performance using multiple regression analysis (Pallant, 2005).

3.8. Model Specification

The formal definition of a model, or the explicit conversion of theory into mathematical formulas, is known as model specification. It involves putting all relevant theory study and facts that are now available to create a theoretical model. The model below was proposed in order to carry out the multiple linear regressions necessary to ascertain the factors impacting undergraduate students' intention to pursue entrepreneurship.

Research Model,

$$Yi=\alpha+\beta1X1i+\beta2X2i+\beta3X3i+\beta4X4i+\beta5X5i+\beta6X6i+\varepsilon i$$

Where,

Y = Dependent variable (Entrepreneurial Intention)

α = constant

β = (Beta value) coefficient of slope of regression model

X1= Social Norm

X2= Entrepreneurship Education

X3= Access to capital

X4= Attitude towards Entrepreneurship

X5= Personality Traits

X6= Perceived government policy

εi = error terms

3.9. Validity and Reliability

3.9.1. Validity

A test's validity, according to Lakshmi and Mohideen (2013), is based on how well it measures the construct it claims to measure. Content validity, according to Kindy et al. (2016), is the

extent to which each item on an instrument addresses every significant aspect of the field being studied. It is the degree to which the measuring tool in this example, the questionnaire's measuring questions adequately addresses the study investigation questions. Surveys are also pilot tested to gather feedback from respondents regarding their validity. After receiving responses, the questionnaire is revised.

3.9.2. Reliability

According to Kothari (2004), internal consistency is the act of comparing each questionnaire question's response with those of the other questions. Consistency is what dependability is all about.

One of the most popular metrics for assessing internal consistency is Cronbach's alpha. According to Pallant (2005), scales should have a minimum Cronbach's alpha coefficient of 0.70; the higher the better. Consequently, the reliability test results for Cronbach's Alpha Coefficients were obtained.

TABLE 3. 2: Measurement of reliability Analysis

Variables	**Cronbach's Alpha**	**N of Items**
Social Norm	0.74	5
Entrepreneurship Education	0.76	5
Access to capital	0.79	4
Attitude towards Entrepreneurship	0.763	5
Personality Traits	0.874	15
Perceived government policy	0.775	4
Entrepreneurial Intention	0.779	5

Source: Own survey data, 2024

3.10. Ethical Consideration

Operating in a way that is acceptable to society is what Somekh and Lewin (2009) characterize as ethical considerations; in this case, the researcher made sure that respondents actively participated. It can also refer to moral standards, individual or group confidentiality, and privacy. Quinlan (2011) defines confidentiality and secrecy as the assurance given by a researcher to study participants regarding the privacy of their identity and involvement. The confidentiality of the information gathered from respondents was maintained by allowing them to freely express their emotions and by not asking for their names or identities to be included on questionnaires.

And, also the researcher uses the Addis Ababa university official documents for only this study.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1. Introduction

Finding the factors influencing undergraduate students' intention to pursue entrepreneurship was one of the study's goals. The sample was drawn from Addis Ababa University's student body of engineering and business student. Before entering data into SPSS, the questioners were carefully examined for missing values. 285 pieces of data in total were gathered and examined. The analysis of the gathered data was done with SPSS version 24. Linear regression has been utilized in the quantitative studies to assess the hypotheses. The purpose of this chapter is to explain and debate the findings of the research. In addition, conclusions on the factor influencing entrepreneurial intention are reached by analyzing and debating the information acquired through the use of a questionnaire, in accordance with the results and suggestions offered in the fifth chapter.

4.1.1. Demographic Profile of Respondents

After gathering participant data, SPSS software was used to present and evaluate the results. This result was based on 285 Addis Ababa University graduate students that took part in the study. The frequency table displayed the result as follows.

In terms of gender composition, the distribution is balanced with a small male leaning (64.2%) and a female remainder (35.8%). This indicates that there are more male respondents in this study than female respondents. Given the age distribution of the sampled respondents, it can be observed that 94.4% of the total respondents are between the ages of 18 and 24. The remaining individuals, who are in the 25–30 age range, account for only 5.6% of the sample. This suggests that young people make up the bulk of participants.

The majority of respondents (24.9%) were in the management department, followed by the departments of economics (15.4%), accounting (13.7%), and software (10.2%), according to the table containing data from the whole sample of 285 respondents. The departments of public administration (8.8%), mechanical (4.9%), chemical (3.2%), and civil and biological (8.8%)

comprised the remaining responses. The information technology department accounted for 0.7% of the remaining respondents. This suggests that a suitable number of individuals were chosen from every department.

The table shows that 89.8% of students take entrepreneurship courses, whereas 10.2% of students don't take any.According to the table, 43.2 percent of respondents engaged in family business, whereas 56.8% did not. Additionally, 76.8% of students' relatives own their own business, and 40.7% of students engage in their relative's business. Additionally, 69.5 percent of student friends have a business background, and 32.6% of students engage in their friend's business.

TABLE 4. 1:- Demographic characteristics of the Respondents

	Description	Frequency	Percent
Age	18-24	269	94.4%
	25-30	16	5.6%
Gender	Male	183	64.2%
	Female	102	35.8%
Department	Civil	13	4.6%
	Chemical	9	3.2%
	Electrical	29	10.2%
	Mechanical	14	4.9%
	Information Technology	2	0.7%
	Biomedical	13	4.6%
	Software	26	9.1%
	Accounting	39	13.7%
	Management	71	24.9%

	Economics	44	15.4%
	Public Administration	25	8.8%
Entrepreneurship Course	Yes	256	89.8%
	No	29	10.2%
Family Members Engaged in Entrepreneurship	Yes	169	59.3%
	No	116	40.7%
Participate in family business	Yes	123	43.2%
	No	162	56.8%
Relatives engaged in Business	Yes	291	76.8%
	No	66	23.2%
Participate in relative business	Yes	116	40.7%
	No	169	59.3%
Friends engaged in business	Yes	198	69.5%
	No	87	30.5%
Participate in friends' business	Yes	93	32.6%
	No	192	67.4%

(Source: Own Survey, 2024)

The researcher came to the conclusion that practically all of the departments at the Addis Ababa University faculty of business and engineering had taken an entrepreneurship course, indicating that they were familiar with and knowledgeable about entrepreneurship in general.

4.2. Descriptive analysis on factors affecting entrepreneurial intention

In order to gauge respondents' overall perceptions of the chosen factors influencing undergraduate students' entrepreneurial intention, the researcher compiled the variables affecting entrepreneurial intention using mean, standard deviation, and a 5-point Likert scale (i.e., social

norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits, and perceived government policy). Five were Strongly Agree, four were Agree, three were neither Agree nor Disagree, and one was Very Disagree. Each point was assigned a number.

As a result, the mean indicates the sample group's average degree of agreement or disagreement with the individual statements. When the mean is lower, respondents disagree with the claims more, according to Marczyk et al. (2005). The mean rises with the number of respondents who agree with the statement.

In light of this, Zaidatol et al. (2012) state that a mean score of 1 to 2.33 indicates low agreement, a mean score of 2.34 to 3.67 indicates moderate (medium) agreement and a mean score of 3.68 or higher indicates strong agreement. For the purpose of this work's descriptive analysis, this acted as the standard.

4.2.1. Social Norm

TABLE 4. 2: Descriptive statistics summary result of social norm

Questions	**Number**	**Mean**	**Standard Deviation**
My closest friends seem to think that I should become an entrepreneur	285	3.89	1.291
My closest family members, I suppose, believe that I ought to become an entrepreneur myself.	285	3.63	1.461
When it comes to careers, the people I spend the most time with generally favor entrepreneurship	285	3.61	1.512
In Ethiopian society, entrepreneurs enjoy a favorable reputation.	285	3.72	1.424
Under Ethiopian culture, entrepreneurship is a useful endeavor.	285	3.62	1.481
Total grand mean and standard		3.69	1.434

deviation			

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2024

The researcher gave the respondents five statements, each of which indicates the presence of social norm components, and asked them to rate their level of agreement. This is shown in table 4.2 above. The penultimate statement—"I believe that my closest friends think that I should pursue a career as an entrepreneur"—has the highest mean among the responses, with 3.89 being the relatively largest. These results demonstrate the variety of means of the gathered responses. According to the third statement, "People who I spend most of my time with prefer entrepreneurship when compared to other career options," the standard deviations of these means are 1.512 and 1.291, respectively.

Based on a mean score of 3.63 and standard deviation (SD) of 1.461, the respondents were found to be moderately in agreement about their belief that my closest family members thought I should become an entrepreneur. The claim that business owners are well-liked in Ethiopian society has a moderate mean value of 3.72 and a standard deviation (SD) of 1.424. Ultimately, the mean score of 3.62 and standard deviation (SD) of 1.481 suggest a significant level of consensus among respondents considering the viability of entrepreneurship in Ethiopia. In summary, the grand mean value of 3.69 and the standard deviation (SD) of 1.434 suggest that social norms significantly influence the inclination of Addis Ababa university undergraduate business and engineering students to pursue entrepreneurship.

4.2.2. Entrepreneurship Education

TABLE 4. 3: Descriptive statistics summary result of Entrepreneurship Education

Questions	**Number**	**Mean**	**Standard Deviation**
In order to encourage students to create their own businesses, I believe that entrepreneurship should be taught in universities and made a required course.	285	3.61	1.426

My business classes have given me the information I think I need to launch my own business.	285	3.66	1.416
I believe taking the entrepreneurship course will help me come up with additional company ideas and chances in the future.	285	3.79	1.436
Entrepreneurial abilities, in my opinion, are learned through training.	285	3.69	1.480
I believe that entrepreneurial education works well in Ethiopia	285	3.67	1.440
Total grand mean and standard deviation		3.68	1.439

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2023

As can be seen in Table 4.3 above, the respondents were asked to rank how much they agreed with five statements that might be signs of entrepreneurial education. Based on the outcomes, the entrepreneurship course has given me more ideas and chances to launch a firm. With a standard deviation (SD) of 1.436, the mean was the highest, at 3.79. With a standard deviation (SD) of 1.426, the statement that entrepreneurship should be taught in colleges and made a required subject, on the other hand, had the lowest mean value (3.61). Encouraging students to launch their own enterprises on campus is the goal of this course.

When asked if they felt that the business courses, I'm taking have given them the knowledge they need to launch a business, the respondents gave a mean score of 3.66 and a standard deviation (SD) of 1.416, which suggests that there was moderate agreement with the statement. The training-based acquisition of entrepreneurial abilities also yielded a robust mean value of 3.69 and a standard deviation of 1.480. The respondents appeared to be in moderate agreement with the statement that entrepreneurship education is effective in Ethiopia, as indicated by the mean score of 3.67 and standard deviation (SD) of 1.440.

Recall that the overall grand mean value of 3.68 and the standard deviation (SD) of 1.439 showed that entrepreneurship education had a strong impact on the entrepreneurial intention of Addis Ababa University undergraduates studying business and engineering.

4.2.3. Access to capital

TABLE 4. 4: Descriptive statistics summary result of Access to capital

Questions	**Number**	**Mean**	**Standard Deviation**
In Ethiopia, obtaining startup finance is simple.	285	3.71	1.367
Ethiopian banks are prepared to extend finance for new ventures or business.	285	3.64	1.506
The availability of financial resources makes it simple to launch one's own firm.	285	3.66	1.453
The necessary funding to launch a firm is available from financial institutions.	285	4.02	1.172
Total grand mean and standard deviation		3.76	1.374

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2023

Table 4.4 above indicates that respondents were only moderately in agreement that Ethiopian banks are prepared to give credit for new business, based on the lowest mean score of 3.64 and standard deviation (SD) of 1.506. Conversely, the largest standard deviation (SD) of 1.172 and mean score of 4.02 indicate that respondents strongly agreed that financial institutions are ready to offer the capital needed to start a business. The mean score of 3.71 and standard deviation (SD) of 1.367 shows that, the respondents strongly agreed with the statement that it is simple to obtain startup capital in Ethiopia. Regarding the statement that it is simple to launch a business because capital is readily available, there was moderate agreement shown by the mean score of 3.66 and standard deviation (SD) of 1.453. In summary, the grand mean value of 3.76 and the standard deviation (SD) of 1.374 show that, overall, respondents strongly agreed that access to capital influences students' intentions to start their own businesses.

4.2.4. Attitude towards entrepreneurship

TABLE 4. 5: Descriptive statistics summary result of Attitude towards Entrepreneurship

Questions	Number	Mean	Standard Deviation
I need regular change to stay motivated, even if this would mean greater uncertainty.	285	3.70	1.356
I would rather found a new company than manage an existing one.	285	3.60	1.404
I prefer to be my own boss over having a stable work.	285	3.67	1.368
The greatest way for me to use my education would probably be to launch my own business.	285	3.67	1.346
If I opened my own business, I'm sure I could succeed.	285	3.78	1.322
Total grand mean and standard deviation		3.68	1.359

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2024

The communication practice table 4.5, as presented above, indicates that respondents were relatively in agreement that they would prefer to start a new firm than manage an existing one. This is indicated by the lowest mean score of 3.60 and standard deviation (SD) of 1.404. However, the highest mean score of 3.78 and standard deviation (SD) of 1.322 suggest that respondents were quite confident in their ability to succeed if they launched their own company.

The respondents, whose mean score was 3.70 and their standard deviation (SD) was 1.356, strongly agreed that they needed constant change to remain involved, even if it meant more uncertainty. Their standard deviation (SD) of 1.368 and mean score of 3.67, which indicated a moderate level of agreement on the emphasis item, suggested that they preferred being their own

boss above having a steady employment. Moreover, there was moderate agreement on the topic, as evidenced by the average score of 3.67 and standard deviation (SD) of 1.346, suggesting that launching my own company would be the best way for me to put my degree to use.

In summary, the overall grand mean value of 3.68 and the standard deviation (SD) of 1.359 shows that respondents strongly agreed that undergraduate university students' intentions to start their own businesses are influenced by their attitude toward entrepreneurship.

4.2.5. Personality Traits

TABLE 4. 6: Descriptive statistics summary result of Personality Traits

Questions	**Number**	**Mean**	**Standard Deviation**
Need to achievement			
I would perform admirably in challenging assignments linked to my work and studies.	285	3.63	1.464
I would look for other opportunities within the work I was given.	285	3.81	1.394
I possess the leadership qualities required of an entrepreneur.	285	3.41	1.505
After I graduate, I've given the idea of opening my own company some serious thought.	285	4.06	1.307
I would rather have my own profitable business than work in a stable, well-paying position.	285	3.84	1.370
Total		**3.75**	**1.408**
Locus of control			
I believe that luck plays a major role	285	3.33	1.593

when things go well.			
I have faith in my talents to launch a business.	285	3.54	1.542
I virtually always manage to pull things through when I set goals.	285	3.45	1.608
Success is typically the result of diligence and hard work.	285	3.15	1.621
Total		**3.37**	**1.591**
Risk taking			
Taking chances worries me, especially if there could be large rewards.	285	3.28	1.651
In the event that the potential returns on investment were really great, I wouldn't hesitate to invest in a new company that might fail.	285	3.53	1.435
I've always believed that security is a necessary component of every stage of life.	285	3.61	1.397
Total		**3.47**	**1.494**
Tolerance to ambiguity			
If I don't believe there is a solution, I don't find problems very appealing.	285	3.63	1.356
In social situations when I have little control, I tend to become quite nervous.	285	3.69	1.372
Rather to dissecting big situations into smaller components, it is better to focus on their larger characteristics.	285	3.63	1.459
Total		**3.65**	**1.396**

Total grand mean and standard deviation of personality traits		3.57	1.472

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2024

From the above table 4.6, need to achievement had highest grand mean score 3.75 than other personality traits factors. Followed to need to achievement; tolerance to ambiguity, risk taking and locus of control had grand mean score of 3.65, 3.47 and 3.37 respectively from highest to lower. Generally, the total grand mean value 3.57 and standard deviation (SD) 1.472 indicates that respondents were moderately agreed on that personality traits affecting entrepreneurial intention of undergraduate university students.

4.2.6. Perceived government policy

TABLE 4. 7: Descriptive statistics summary result of perceived government policy

Questions	**Number**	**Mean**	**Standard Deviation**
Ethiopia offers enough incentives to support start-up business.	285	3.71	1.354
The steps involved in starting a new business are straightforward.	285	3.77	1.325
Policies, laws, and rules of the government are advantageous for starting a firm.	285	4.06	1.172
The ease of starting a firm can be attributed to the administrative procedures' simplicity.	285	4.03	1.173
Total grand mean and standard deviation		3.89	1.256

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2024

In the perceived government policy table 4.7 above, the respondents strongly agreed that there are enough subsidies available for new firms in Ethiopia, as evidenced by the lowest mean score

of 3.71 and standard deviation (SD) of 1.354. However, the respondents firmly agreed that government regulations, rules, and policies are favorable for beginning a business, as indicated by the highest mean score of 4.06 and standard deviation (SD) of 1.172. The respondents appeared to strongly agree with the statement on the straightforward procedures for creating a new firm, as indicated by the mean score of 3.77 and standard deviation (SD) of 1.325. Furthermore, the straightforward administrative process makes it simple to launch one's own firm; high agreement on the question was indicated by the mean score of 4.03 and standard deviation (SD) of 1.173.

Overall, respondents strongly agreed with how government policies affected the entrepreneurial goals of Addis Ababa University's undergraduate business and engineering students, as seen by the grand mean value of 3.89 and the standard deviation (SD) of 1.256.

4.2.8. Entrepreneurial Intention

TABLE 4. 8: Descriptive statistics summary result of Entrepreneurial intention

Questions	**Number**	**Mean**	**Standard Deviation**
I'll work hard and enjoy the challenge of launching my own business.	285	3.30	1.436
I would rather start my own business than work for a corporation or other institution.	285	3.51	1.393
I'll put in the work and welcome the challenge of starting my own business.	285	3.00	1.555
One day, I really want to launch my own business.	285	3.01	1.568
I have a really good business concept.	285	3.08	1.570
Total grand mean and standard deviation		3.18	1.504

SDA – Strongly Disagree, D - Disagree, N - Neither agree nor disagree, A - Agree, SA - Strongly agree

Source: Own survey data, 2024

As table 4.8 above shows, there were around five statements available to show the respondents' level of entrepreneurial intention. The table shows that instead of working for a company or organization, they would like to be their own boss. With a standard deviation (SD) of 1.393, their preferred status as an entrepreneur had the highest mean value, at 3.51. According to the standard deviation of 1.555, the least mean value of 3.00 was observed in the responses to the statement, "I will make every effort & relish the challenge to start my own business." The mean value of the statement, "I will make every effort & relish the challenge to start my own business," was 3.30, and the standard deviation (SD) was 1.436. The mean score of 3.01 and standard deviation (SD) of 1.568 indicated that there was substantial agreement with the main theme, which is my strong desire to start a business someday. A moderate level of agreement was also shown by the mean score of 3.08 and standard deviation (SD) of 1.570 evaluating their appealing business proposal.

Overall, with a grand mean value of 3.18 and a standard deviation (SD) of 1.504, the researcher believes that respondents were somewhat in accord with the entrepreneurial desire of Addis Ababa University's undergraduate business and engineering students.

TABLE 4. 9 over all summary

variables	social norm	enterprene urship education	access to capital	attitude toward enterprene urship	personality trait	percived governme nt policy	enterprene urial intention
aggregate mean	3.69	3.68	3.76	3.68	3.57	3.89	3.18
standard devation	1.434	1.439	1.374	1.359	1.472	1.256	1.504
level of agreement	strong agreement	strong agreement	strong agreement	strong agreement	moderate agreement	strong agreement	moderate agreement

4.3. Correlation Analysis

A methodology for determining the relationship between two variables is correlation analysis. According to Zikmund et al. (2013), it can be conceptualized as a standardized covariance that illustrates the degree to which a change in one variable is correlated with a change in another.

This study examines the strength of the variables (social norm, entrepreneurship education, access to finance, attitude toward entrepreneurship, personal qualities, and perceived government policy) influencing undergraduate students' intention to pursue entrepreneurship by correlation analysis. For the objective of this study and to analyze this association, evidence was provided using Pearson correlation analysis.

The Pearson product-moment correlation coefficient, or r, is used to determine the relationship between the variables. The typical range for the Pearson product-moment correlation coefficient, or "r", is -1.0 to 1.0. The strength and direction of the relationship were indicated by the coefficient (r). The link's strength and whether it is positive—when one variable rises, the other rises as well—or negative—as one variable rises, the other falls—are both indicated by the sign. The most basic and useful method for determining the link between two or more variables is correlation (Marczyk et al., 2005).

According to Marczyk et al. (2005), there were four different types of correlations: weak (between 0.01-0.3), moderate (between 0.3-0.7), strong (between 0.7-0.9), and extremely strong (between 0.9-1.00). In order to determine the relationship between the seven factors (social norm, entrepreneurship education, access to capital, attitude toward entrepreneurship, personal traits, and perceived government policy) and entrepreneurial intention, a Pearson correlation was computed and the results are shown in table 4.8 below.

TABLE 4. 9: Correlation coefficients between dependent and independent variables

		Correlations						
		EI	SN	EE	AC	ATE	PT	PGP
EI	Pearson Correlation	1	.442**	.713**	.577**	.713**	.760**	-.087
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.141
	N	285	285	285	285	285	285	285
SN	Pearson Correlation	.442**	1	.404**	.318**	.313**	.372**	-.176**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.003
	N	285	285	285	285	285	285	285
EE	Pearson Correlation	.713**	.404**	1	.655**	.602**	.677**	-.011

	Sig. (2-tailed)	.000	.000		.000	.000	.000	.859
	N	285	285	285	285	285	285	285
AC	Pearson Correlation	.577**	.318**	.655**	1	.456**	.551**	-.015
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.806
	N	285	285	285	285	285	285	285
ATE	Pearson Correlation	.713**	.313**	.602**	.456**	1	.834**	.028
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.632
	N	285	285	285	285	285	285	285
PT	Pearson Correlation	.760**	.372**	.677**	.551**	.834**	1	.043
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.473
	N	285	285	285	285	285	285	285
PGP	Pearson Correlation	.087	.176**	.011	.015	.028	.043	1
	Sig. (2-tailed)	.141	.003	.859	.806	.632	.473	
	N	285	285	285	285	285	285	285

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Own survey data, 2024

The above table 4.9 explains the relationship between the overall factors and entrepreneurial intention. Based on the output of the correlation matrix; the results indicated that there is a moderate positive and significant correlation between social norm and entrepreneurial intention ($r=0.442$, $p<0.01$). Moreover, personal traits had stronger positive and statistically significant correlation with entrepreneurial intention ($r=0.760$, $p<0.01$) than the other factors affecting undergraduate student entrepreneurial intention variable. Following to personal traits, the result indicated that both entrepreneurship education and attitude towards entrepreneurship had strong positive and significantly correlated with entrepreneurial intention ($r=0.713$, $p<0.01$). Following to entrepreneurship education and attitude towards entrepreneurship, the result indicated that access to capital had moderate positive and significantly correlated with entrepreneurial intention ($r=0.577$, $p<0.01$). Finally perceived government policy had positive and significantly correlation with $r=0.087$, $p<0.01$ to entrepreneurial intention in the business and engineering undergraduate student of Addis Ababa University.

Generally, the above correlation result shows that all the selected factors i.e. social norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits

and perceived government policy had positive correlation to, social norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits and perceived government policy in the business and engineering undergraduate student of Addis Ababa University and all variables statistically significant with each other.

4.4. Multiple Regression Analysis

Multiple regression analysis is used to establish the relationship between a single dependent variable and several independent variables, or predictors (Pallant, 2005). The amount of variance in the dependent variable that can be accounted for by independent factors is also disclosed by multiple regressions.

According to Balance (2004), the proper application of multiple regression models requires the satisfaction of many essential assumptions in order to demonstrate the model's validity. Conclusions and generalizations regarding a theory are only valid when the underlying assumptions of the study have been confirmed by testing. Before using multiple regression analysis, the researcher has made the prerequisite assumptions that the data must meet for the study to be legitimate and reliable. The multiple linear regression assumptions below were looked at using SPSS version 24.

4.4.1. Linearity Assumption Test

According to Balance (2004), linearity describes the dependent variable as a linear function of the predictor (independent) variable. If the data were regularly distributed, the data points would be around the diagonal line. By creating scatterplots depicting the connection between the independent and dependent variables, the linearity assumption was evaluated. The connection between the independent and dependent variables was discovered to be linear by visually examining the scatterplot that SPSS produced, as seen in the figure 4.1 at appendix two.

4.4.2. Normality Assumption Test

Normality is defined as a bell-shaped, symmetrical curve with lower frequencies at the ends and the maximum frequency of scores in the center. The normality test is used to ascertain whether

the error term is correctly distributed. Thus, as can be seen in figure 4.2 at appendix two, the histogram that follows depicts the findings of the normality test for the study's data and indicates that the error terms are regularly distributed.

4.4.3. Multicollinearity Assumption Test

Multicollinearity, or the occurrence of a very high correlation between the study's independent variables, is a fundamental tenet of multiple regression analysis (Burns, 2008). Multicollinearity is the term used to describe the situation where there is a significant connection between the independent and predictor variables. This could result in an inconsistent effect, where the regression model fits the data well, but none of the predictor variables has a discernible impact on the dependent variable's forecast. The multicollinearity test in this paper was conducted using tolerance and VIF statistics. According to Andy (2006), a tolerance number of less than 0.1 nearly invariably indicates a serious collinearity concern. A VIF number more than 10 suggests that there is a significant collinearity issue, according to Burns (2008). According to Field (2009), values for "tolerance" below 0.1 signify significant issues; nevertheless, other statisticians argue that values for "tolerance" below 0.2 warrant worry. Table 4.10 below demonstrates that multicollinearity was not a concern in this study because all of the independent variables (social norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits and perceived government policy) had tolerances of more than 0.1 and VIF values of less than 10.

TABLE 4. 10: Result of Multicollinearity test

Coefficients[a]		
Model	**Collinearity Statistics**	
	Tolerance	**VIF**
Social Norm	.784	1.275
Entrepreneurship Education	.410	2.441
Access to capital	.546	1.830
Attitude towards Entrepreneurship	.301	3.327
Personality traits	.245	4.088

Perceived government policy	.955	1.047
a. Dependent Variable: Entrepreneurial Intention		

Source: Own survey data, 2024

4.4.4. Homoscedasticity Assumption Test

The homoscedasticity assumption states that the variance of errors is constant for all levels of the independent variable. This suggests that the mistakes among the variables are distributed consistently. This is evident when the variance around the regression line remains constant for all values of the predictor variable. Homoscedasticity can be confirmed visually by looking at a plot of the standardized residuals by the regression standardized predicted value. In a perfect world, residuals are randomly distributed around zero, or the horizontal line, and have an even distribution. The scatter is referred to as heteroscedastic when it is not even; typical patterns of violation include fan and butterfly forms.

The researcher used SPSS to produce a scatterplot of standardized residuals versus standardized predicted values in order to evaluate homoscedasticity. As can be seen in figure 4.3 at appendix two, heteroscedasticity was not a significant issue.

4.4.5. Independent of Residuals Assumption Test

This is equivalent to saying that there is no correlation between the observations, or individual data points. The residuals' independence is ascertained using the Durbin-Watson statistic. The values of the Durbin-Watson statistic range from 0 to 4. Generally speaking, residuals are independent (not correlated) if the Durbin-Watson value is close to 2, while values over 3 and below 1 should raise red flags and potentially invalidate the research.

TABLE 4. 11: Independent Residuals Assumption test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.831[a]	.691	.684	3.638	1.774

a. Predictors: (Constant), PGP, EE, SN, G, AC, ATE, PT

b. Dependent Variable: Entrepreneurial Intention

Source: Own survey data, 2024

In this instance, Durbin-Watson statistics showed (Durbin-Watson = 1.774). Consequently, the outcome is close to 2 and lies in the range of 1 and 3, suggesting that the residual independence assumption made by the researcher is satisfied.

Multiple regression analysis was performed to ascertain how well the regression model fits the data (model summary), which independent variables statistically significantly predict the dependent variable (ANOVA), and the statistical significance of each independent variable (regression coefficients) after the data was checked for the aforementioned required multiple regression assumptions and the researcher determined that it has met all of these assumptions.

4.4.6. Model Summary

The multiple correlation coefficient, or R, is represented by the value of the "R" column in the model summary table (table 4.12), as can be seen. An excellent degree of prediction is demonstrated by the R value of 0.831, which shows a very strong correlation between entrepreneurial intention and the six independent variables (social norm, entrepreneurship education, access to capital, attitude toward entrepreneurship, personal traits, and perceived government policy). As indicated in the "R Square" column, the R^2 value (also called the coefficient of determination) represents the percentage of variance in the dependent variable that can be accounted for by the independent variables.

The table illustrates that the factors influencing entrepreneurial intention (independent variables included in the model) account for 69.1% of the variation in the entrepreneurial intention of undergraduate students in both business and engineering. The remaining 30.9% of the variation in entrepreneurial intention is explained by the stochastic error component (e), which suggests that variables outside of the model accounted for 30.9% of the changes in entrepreneurial intention.

TABLE 4. 12: Multiple Regression result of selected factors affecting entrepreneurial intention

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.831[a]	.691	.684	3.638

a. Predictors: (Constant), PGP, EE, SN, ATE, AC,PT

b. Dependent Variable: Entrepreneurial Intention

Source: Own survey data, 2024

4.4.7. ANOVA Model Fit

An ANOVA analysis is commonly employed for comparing the mean scores of many variables. It's often referred to as analysis of variance since it assesses the variation across variables and decides whether the regression model as a whole fit the data well (Pallant, 2005). Consequently, the model summary's R and R2 values are statistically significant at ($F=106.833$), ($P<0.001$), indicating the presence of statistically significant connections between the two variables. Stated differently, this suggests that there is a statistically significant correlation between the independent factors and the dependent variable. $F = 103.497$, $p<0.001$, with a computed significance level of $0.000 < 0.05$.

Therefore, the regression model is a good fit of the data at 5 percent level of significance, as shown in table 4.13 below.

TABLE 4. 13: ANOVA model fit

ANOVA [a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8220.347	6	1370.058	103.497	.000[b]
	Residual	3680.060	278	13.238		
	Total	11900.407	284			

a. Predictors: (Constant), PGP, EE, SN, ATE, AC, PT

b. Dependent Variable: Entrepreneurial Intention

Source: Own survey data, 2024

4.8.8. Controlling Variable

The researcher's inclusion of a control variable in this study improved its internal validity by controlling for other independent variables that might have an impact on undergraduate students' intentions to start their own businesses, including gender, age, education, family history, and friends' businesses.

Table 4.14 illustrates this point. The R2 value indicates that the control variable accounts for 43.4% of the variation in the dependent variable, which is the entrepreneurial intention. The unstandardized coefficients of gender control variable (β = -2.534, P <.001) indicates a substantial negative correlation between gender and entrepreneurial intention.

Age and entrepreneurial intention were positively and significantly correlated (β =6.125, P =.000). The study found a statistically significant and negative correlation between entrepreneurial intention and educational status (β = -.3.246, P =.000). Moreover, there is a weak but positive correlation between entrepreneurial inclination and family background (β =.629, P =.380). Undergraduate students' ambition to start their own business and their friends' business had a favorable but not statistically significant relationship (β =.880, P =.251).

TABLE 4. 14: coefficient and model Summary (control variable)

Coefficients [a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.940	1.928		5.674	.000
	Gender	-2.534	.731	-.188	-3.469	.001
	Age	6.155	1.612	.219	3.817	.000
	Education	-3.246	.764	-.243	-4.251	.000
	Family background	.629	.715	.048	.880	.380
	Friends	.880	.765	.063	1.150	.251
R		.434				
R^2		.188				
Adj.R^2		.174				
a. Dependent Variable: Entrepreneurial Intention						

4.4.9. Regression results

TABLE 4. 15: Regression coefficients

Coefficients [a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-7.832	1.534		-5.104	.000
	Social Norm	.142	.050	.106	2.818	.005
	Entrepreneurship Education	.350	.070	.262	5.027	.000

	Access to capital	.171	.077	.101	2.233	.026
	Attitude towards entrepreneurship	.299	.081	.225	3.703	.000
	Personality Traits	.148	.033	.304	4.506	.000
	Perceived Government policy	.152	.062	.084	2.459	.015
a. Dependent Variable: Entrepreneurial Intention						

Source: Own survey data, 2024

The standardized coefficients are helpful in determining the relative importance of the various independent variables. They are applied for comparing how one independent variable affects another dependent variable. Therefore, the standardized Beta coefficient can be used to determine the degree to which each independent (predictor) variable influences the criteria (dependent) variable. Consequently, the average amount of change in the dependent variable produced by a unit of change in the independent variable is explained by the regression coefficient. Thus, as indicated in regression coefficients table (table 4.15) above, entrepreneurship education is the most contributing factors in the prediction of entrepreneurial intention with beta value of (B=.350), followed by attitude towards entrepreneurship (B=.299), access to capital (B=.171), perceived government policy (B=.152), personality traits (B=.148) and social norm (B=.142) that the variables are making significant to the prediction of entrepreneurial intention.

As it can be seen from the regression coefficient table, all selected factors i.e., social norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits and perceived government policy had statistically significant contribution to entrepreneurial intention at 95% confidence level, since their p-values are .005, .000, .026 .041, .000, .000 and .015 respectively and the significance level for them were less than 0.05 ($p<0.05$).

Considering the demographic factors of respondents, gender, age and education had significant effect on entrepreneurial intention. But family background had insignificant effect on entrepreneurial intention as their p values were >.05.

Unstandardized Coefficients

Unstandardized coefficient denotes the change in the dependent variable with a unit change in the independent variable. But they are not comparable in terms of impact on the dependent variable.

As stated in chapter three, the study used the following multiple regression model to establish the statistical significance of the independent variables on the dependent variable.

$$Yi= \beta0+\beta1X1i+\beta2X2i+\beta3X3i+\beta4X4i+\beta5X5i+ \beta6X6i + \varepsilon i$$

Where,

Yi = Dependent variable (Entrepreneurial Intention)

β0 = constant

β = (Beta value) coefficient of slope of regression model

X1= Social Norm

X2= Entrepreneurship Education

X3= Access to capital

X4= Attitude towards entrepreneurship

X5= Personality Traits

X6= Perceived Government Policy

εi = error term

In the model, ***β0*** = Constant, β1 to β6 = Regression coefficients represent the mean change in the dependent variable for one unit of change in the independent variable while holding other variables in the model constant and ϵ = Error term which captures the unexplained variation in the model.

$$Yi = -7.832 + 0.142\ X1i + 0.350\ X2i + 0.171\ X3i + 0.299\ X4i + 0.148\ X5i + 0.152\ X6i + \varepsilon i$$

The constant value (***β0*** **=-7.832**) shows that entrepreneurial intention of business and engineering undergraduate students of Addis Ababa University would be **-7.832** if other factors (social norm,

entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits and perceived government policy) of the model were zero. On the other hand, a beta coefficient of 0.142, 0.350, 0.171, 0.299, 0.148 and 0.152 indicates that if there is one unit increase in social norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personal traits and perceived government policy respectively leads to increase in the entrepreneurial intention of business and engineering undergraduate students of Addis Ababa University by 14.2%, 35.0%, 17.1%, 29.9%, 14.8% and 15.2% respectively. In addition, the Error term (ϵ) estimate was assumed to be zero.

4.5. Testing Hypothesis with Regression analysis

A hypothesis is just a well-informed, testable assumption about the solution to your research question. A researcher's attempt to explain a phenomenon of interest is a frequent definition of a hypothesis. The researcher's attempt to explain the phenomenon under examination is represented by those hypotheses, and an explanation that takes into account the variables under inquiry should be included. The next step is to gather and analyze data in order to evaluate these predictions, which will either confirm or refute (falsify) the hypotheses. So, the four theories that were previously constructed in chapter two were tested using the regression coefficient data.

TABLE 4. 16: Summary Result of Regression Analysis

Model		Beta	Statistical significance
1	(Constant)	-7.832	.000
	Social Norm	.142	.005
	Entrepreneurship Education	.350	.000
	Access to capital	.171	.026
	Attitude towards entrepreneurship	.299	.000
	Personality Traits	.148	.000
	Perceived Government Policy	.152	.015
a. Dependent Variable: Entrepreneurial Intention			

Source: Own survey data, 2024

Hypothesis 1

H0: There is no significant relationship between **social norm** and entrepreneurial intention:

The social norm regression coefficient result was defined with (β=0.142, P<0.05, sig.005), which infers that 14.2% of increase in entrepreneurial intention was explained or justified due to the changes in social norm assumed all other variables are being constant, which entails that social norm has significant relationship and effect on entrepreneurial intention, therefore, the Hypothesis 1 is rejected.

Hypothesis 2

H0: There is no significant relationship between **entrepreneurship education** and entrepreneurial intention:

The regression coefficient result of entrepreneurship education in the university was indicated as (β=0.350, P<0.05 as Sig.000, which implies that 35.0% of increase in entrepreneurial intention was due to the change in the entrepreneurship education, assumed all other variables are being constant, which entails that entrepreneurship education has significant relationship and effect on entrepreneurial intention, therefore, the Hypothesis 2 is rejected.

Hypothesis 3

H0: There is no significant relationship between **access to capital** and entrepreneurial intention:

The mission regression coefficient result was defined with (β=0.171, P<0.05, sig.026), which infers that 17.1% of increase in entrepreneurial intention was explained or justified due to the changes in access to capital in the university, assumed all other variables are being constant, which entails that access to capital has significant relationship and effect on entrepreneurial intention, therefore, the Hypothesis 3 is rejected.

Hypothesis 4

H0: There is no significant relationship between **Attitude towards entrepreneurship** and entrepreneurial intention:

The regression coefficient result of Attitude towards entrepreneurship in the university was indicated as (β=0.299, P<0.05 as Sig.000, which implies that 18.8% of increase in entrepreneurial intention was due to the change in the attitude towards entrepreneurship,

assumed all other variables are being constant, which entails that attitude towards entrepreneurship has significant relationship and impact on entrepreneurial intention, therefore, the Hypothesis 4 is rejected.

Hypothesis 5

H0: There is no significant relationship between **personal traits** and entrepreneurial intention:

The social norm regression coefficient result was defined with (β=0.148, P<0.05, sig.000), which infers that 14.8% of increase in entrepreneurial intention was explained or justified due to the changes in personal traits assumed all other variables are being constant, which entails those personal traits has significant relationship and effect on entrepreneurial intention, therefore, the Hypothesis 5 is rejected.

Hypothesis 6

H0: There is no significant relationship between **perceived government policy** and entrepreneurial intention:

The regression coefficient result of perceived government policy in the university was indicated as (β=0.152, P<0.05 as Sig.015, which implies that 15.2% of increase in entrepreneurial intention was due to the change in the perceived government policy, assumed all other variables are being constant, which entails that perceived government policy has significant relationship and effect on entrepreneurial intention, therefore, the Hypothesis 6 is rejected.

TABLE 4. 17: Summary of Tested Hypothesis

Hypothesis	Results
Ho: There is no significant relationship between **social norm** and entrepreneurial intention. **H1:** There is significant relationship between **social norm** and entrepreneurial intention.	**Ho:** Rejected **H1:** Accepted

Ho: There is no significant relationship between **entrepreneurship education** and entrepreneurial intention. **H1:** There is significant relationship between **entrepreneurship education** and entrepreneurial intention.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant relationship between **access to capital** and entrepreneurial intention. **H1:** There is significant relationship between **access to capital** and entrepreneurial intention.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant relationship between **attitude towards entrepreneurship** and entrepreneurial intention. **H1:** There is significant relationship between **attitude towards entrepreneurship** and entrepreneurial intention.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant relationship between **personal traits** and entrepreneurial intention. **H1:** There is significant relationship between **personal traits** and entrepreneurial intention.	**Ho:** Rejected **H1:** Accepted
Ho: There is no significant relationship between **perceived government policy** and entrepreneurial intention. **H1:** There is significant relationship between **perceived government policy** and entrepreneurial intention.	**Ho:** Rejected **H1:** Accepted

Source: Own survey data, 202

CHAPTER FIVE

Summary of Major Findings, Conclusion and Recommendations

5.1. Introduction

This study has been conducted to examine factors affecting the entrepreneurial intention of undergraduate's student of business and engineering in the case of Addis Ababa University. This chapter was summarized major findings of the study. The chapter also gives conclusions based on the results that have been derived from the major findings. The chapter also proposes some recommendations that can be used to improve the factors affecting entrepreneurial intention of undergraduate student of business and engineering in the case of Addis Ababa University. Recommendations are also proposed for future studies.

5.2. Summary of Findings

This study intended to examine factors affecting the entrepreneurial intention of undergraduate's student of business and engineering in the case of Addis Ababa University. Data for the study was gathered by distributing questionnaires to an Addis Ababa University undergraduate student sample of business and engineering. A total of 285 questionnaires were sent out to participants, and 100% of them returned their completed forms. The overall dependability range for the research instruments' internal consistency test was found to be "excellent," with a Cronbach alpha score of $\alpha = 0.928$.

The mean score and standard deviation were calculated for each dependent variable (entrepreneurial intention) and independent variable (social norm, entrepreneurship education, access to capital, attitude toward entrepreneurship, personality traits, and perceived government policy factors) using descriptive statistical analysis. According to the survey, perceived government policy scored high mean score of 3.89. However, the means for personality traits, entrepreneurial education, attitude toward entrepreneurship, social norms, and capital access were3.57, 3.68, 3.68, 3.69 and 3.76, respectively. However, the average mean score for entrepreneurial intention (3.18) suggests that respondents had a moderate level of agreement with the intention of undergraduate students to pursue entrepreneurship.

The presence of statistically significant positive relationships between factors (social norm, entrepreneurship education, access to capital, attitude towards entrepreneurship, personality traits, and perceived government policy) and undergraduate students' entrepreneurial intention at the $P<0.01$ level is indicated by the Pearson coefficients. Furthermore, compared to the other criteria included, personality traits showed a favorable and statistically significant link with undergraduate students' propensity to pursue entrepreneurship. In addition to personality factors, there was a strong favorable link found between undergraduate students' entrepreneurial ambition and their entrepreneurship education, attitude toward entrepreneurship, access to capital, and social norm. In contrast, there was less of a positive association between undergraduate students' entrepreneurial purpose and their perception of government policy. Regression tests for linearity, normality, multicollinearity, homoscedasticity, and independence of residuals were performed, and the study's model met all of its presumptions.

To find out if the independent factors had an effect on the dependent variable, multiple regression analysis was performed. The regression model summary's R square value ($R^2 = 0.691$) showed that the independent variables social norm, entrepreneurship education, access to capital, attitude toward entrepreneurship, personality traits, and perceived government policy could account for 69.1% of the variation in the entrepreneurial intention of undergraduate students in both business and engineering departments. This suggested that 69.1% of the factors that were chosen had an impact on undergraduate students' entrepreneurial intention, with other factors in Addis Ababa University's business and engineering departments accounting for the remaining 30.9% of the variation. The dependent variable is statistically and significantly predicted by the independent factors, according to the ANOVA test result ($F = 103.497$, $p <.001$). This indicates that, from a statistical standpoint, the model is appropriate and significant.

Further analysis of the regression analysis results showed that all of the selected factors' predictor variables—social norm, entrepreneurship education, access to capital, attitude toward entrepreneurship, personality traits, and perceived government policy—had a statistically significant effect on undergraduate students' intentions to pursue entrepreneurship at a 95% confidence level. This was indicated by their respective p-values of .005, .000, .026, .000, .000, and.015, and their significance level was less than 0.05 ($p<0.05$). With a p-value of 0.000,

relative to other components, entrepreneurship education factors are the most important independent variable that significantly contributes to undergraduate students' propensity to pursue entrepreneurship.

The null hypothesis for each variable was rejected, and all alternative hypotheses on the relationship between the variables influencing undergraduate students' propensity to pursue entrepreneurship were accepted. Social norm, entrepreneurship education, capital access, attitude toward entrepreneurship, personality traits, and perceived government policy significance level were all independent factors. Their corresponding p-values were .005, .000, .026, .000, .000, and.015 at $p<0.05$. This suggests that all of the parameters that were chosen have a positive and significant impact on the degree of entrepreneurial ambition among undergraduate students in Addis Ababa University's business and engineering departments.

5.3. Conclusion

The study's findings have led to the following conclusions being reached. Examining the variables influencing the entrepreneurial intention of undergraduate business and engineering students at Addis Abeba University was the primary goal of this study. According to the aforementioned results, entrepreneurship education variables significantly and more strongly positively influenced undergraduate students' intention to pursue entrepreneurship. The remaining factors attitude towards entrepreneurship, access to capital, perceived government policy, personality traits and social norm were evaluated according to their level of significance, ranging from greater to substantial.

Thus, it can be inferred from the demographic profiles that the majority of the students belonged to the same age range (18–24), and that the gender participation rate is fairly balanced, with a reasonable number of female students outnumbering male students. The researcher has also made an effort to ensure that as many women as possible were able to participate in the survey. Thirdly, the study's findings also showed that students who have studied entrepreneurship are more inclined to wish to launch their own company.

The results are noteworthy since they demonstrate that entrepreneurship education raises people's intentions to pursue entrepreneurship. This result may indicate that obtaining an education in

entrepreneurship can aid in starting your own business. Given that the majority of students enroll in entrepreneurial education programs and have some understanding of the topic, it may be inferred that, given their frequent exposure to theoretical parts of the business world, the students possess sufficient knowledge and expertise in entrepreneurship.

The parents of most of the students were not involved in entrepreneurship. Even though 86.6% of students indicated that they intended to become entrepreneurs, the majority of students stated that their first career choice after finishing their studies was to become employees. This indicates that there are obstacles preventing students from pursuing self-employment, but all of the respondents stated that they would like to pursue entrepreneurship if the right opportunity presented itself.

5.4. Recommendations

This study examined the factors affecting entrepreneurial intention of undergraduates' student, On the basis of the findings of this research study and conclusions mentioned the following recommendations were forwarded:

- This study indicates that entrepreneurship education had the most significant effect on entrepreneurial intention of undergraduate students. Since entrepreneurship education influences entrepreneurship intention, it follows that it improves students' knowledge, abilities, and self-assurance in their ability to launch their own businesses. It is advised that entrepreneurship courses be practical as a result. Teachers should focus on encouraging pupils to pursue entrepreneurship as a career path in addition to teaching.
- This study demonstrates how capital availability has influenced entrepreneurial intention. It might be challenging to receive financing from official financial organizations, which contributes to the difficulties in obtaining funds for launching a new company. As a result, the government ought to improve the conditions that allow business owners to obtain financing more readily by reducing the need for loans. More focus should be placed on facilitating young entrepreneurs' access to business funding, as they often have compelling company plans but lack the first capital needed to launch their ventures. With the support of this form of investment, young entrepreneurs can expand their businesses and eventually generate more jobs by gaining access to more resources. Financing for

young entrepreneurs and small startups should be made available by private organizations like banks and other microfinance institutions as part of their offerings.

- Considering what was discovered Entrepreneurial intention is also determined by personality traits. Thus, in order to support students in creating a strong entrepreneurial culture from an early age in their education, the government and society should encourage them to become entrepreneurs by offering various forms of training and awareness. By doing this, students' personality qualities are improved, their understanding of entrepreneurship is expanded, and their entrepreneurial intention is increased. Over time, this will benefit the nation more, particularly by reducing unemployment. These may include business advice, coaching, mentoring and training. To help kids reach their full potential and develop an early passion for entrepreneurship, the curriculum needs to be strengthened and entrepreneurial skills should be taught in elementary and secondary schools.

- It is highly advised to create a setting where young people may interact with more seasoned business owners to exchange stories, create a realistic image of what entrepreneurship entails, and generally advance business acumen.

- According to the findings, social norms have an impact on entrepreneur intention. Additionally, having an entrepreneurial family background moderates the relationship between entrepreneur intention and social norm. For these reasons, non-governmental organizations should also work to increase the knowledge of entrepreneurship among students and the general public by providing related training. Additionally, associations should be developed as hubs for exchanging experiences between students and the general public. Apart from educating the youth, the government and non-governmental organizations ought to focus on educating the entire society through various channels including the media. There ought to be more TV shows about entrepreneurship and how it helps the economy. If parents do not understand the value of entrepreneurship and believe that working for a company is safe and respectable, they might constitute a

hindrance. This is because, according to our research, family history influences the relationship between social norm and entrepreneurial intention.

- To increase students' awareness of entrepreneurship as a viable career option, the government must incorporate entrepreneurship into the curriculum from the very beginning. In order for a student to perceive entrepreneurship as an alternative and to form a good vision towards it, their perspective towards entrepreneurship is a crucial aspect that should be cultivated in its early phases. If not, the student will instead cultivate a favorable attitude toward choosing a career path that involves working for a company they are well-acquainted with.

5.5. Future Research Directions

This study exclusively included final-year undergraduates in the engineering and business departments at Addis Ababa University. To improve generalization, I would advise including samples from other universities and conducting comparative analyses between business and non-business students, extension and regular students, and first- and second-year students. I would suggest adding other variables to the mix for academics who are interested in determining university students' intentions to pursue entrepreneurship.

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APPENDIX I

Questionnaire

Dear Respondents

I am a graduate student at Addis Ababa University Masters of Business Administration program. I am currently conducting research on the factors that determining entrepreneurial intentions of undergraduate students in Addis Ababa University.

I hereby ask for your help in completing the provided questionnaire. The questionnaire serves as a tool to accomplish a study goal. Since this is an academic study, confidentiality will be upheld to the letter. Your sincere comments will thereby enhance the validity of the study's findings. I do value your important input to the study. Please take a moment to complete the accompanying questionnaire.

Yours Sincerely,

Eden Moges

PART A: PERSONAL DETAILS

Kindly provide the information requested by putting a tick mark or filling on the space

1. **personal information**
   - **A. Gender**

     Male ☐ Female ☐

   - **B. Age**

     18-24 ☐ **25-30** ☐ **> 31** ☐

   - **C. Field of study**

     Engineering ☐ Business ☐

   - **D. Department**

     i. For only engineering student:

Civil Engineering ☐

Chemical Engineering ☐

Electrical Engineering ☐

Mechanical Engineering ☐

IT ☐

Biomedical Engineering ☐

Software Engineering ☐

ii. for only business student

Accounting ☐ Managem☐ Eco☐ Public administration

2. **Business background**
   - **A.** Did you take any entrepreneurship course?

     Yes ☐ No ☐

B. FAMILY

I. Are your family ever have business background

Yes ☐ No ☐

II. Have you ever participated in your family business

Yes ☐ No ☐

C. Relatives

I. Are your relatives ever have business background

Yes ☐ No ☐

II. Have you ever participated in your family business

Yes ☐ No ☐

D. **Friend**s

I. Are your friends ever have business background

Yes ☐ No ☐

II. Have you ever participated in your friend business

Yes ☐ No ☐

PART B: FACTORS AFFECTING ENTREPRENEURIAL INTENTION OF UNDERGRADUATES' STUDENT

Based on your opinion, please indicate the most appropriate response with the scale given below.

1= Strongly Agree 2- Agree, 3= Neutral, 4 =Disagree, 5= Strongly Disagree

1. Social Norm

Statements	5	4	3	2	1
My closest friends seem to think that I should become an entrepreneur					
My closest family members, I suppose, believe that I ought to become an entrepreneur myself.					

When it comes to careers, the people I spend the most time with generally favor entrepreneurship					
In Ethiopian society, entrepreneurs enjoy a favorable reputation.					
Under Ethiopian culture, entrepreneurship is a useful endeavor.					

2. Entrepreneurship Education

Statements	5	4	3	2	1
In order to encourage students to create their own businesses, I believe that entrepreneurship should be taught in universities and made a required course.					
My business classes have given me the information I think I need to launch my own business.					
I believe taking the entrepreneurship course will help me come up with additional company ideas and chances in the future.					
Entrepreneurial abilities, in my opinion, are learned through training.					
I believe that entrepreneurial education works well in Ethiopia					

3. Access to Capital

Statements	5	4	3	2	1
In Ethiopia, obtaining startup finance is simple.					

Ethiopian banks are prepared to extend finance for new ventures or business.					
The availability of financial resources makes it simple to launch one's own firm.					
The necessary funding to launch a firm is available from financial institutions.					

4. Attitude towards Entrepreneurship

Statements	5	4	3	2	1
I need regular change to stay motivated, even if this would mean greater uncertainty.					
I would rather found a new company than manage an existing one.					
I prefer to be my own boss over having a stable work.					
The greatest way for me to use my education would probably be to launch my own business. If I opened my own business, I'm sure I could succeed.					
I need regular change to stay motivated, even if this would mean greater uncertainty.					

5. Personality Traits

- **Need to achievement**

Statements	5	4	3	2	1
I would perform admirably in challenging assignments linked to my work and studies.					
I would look for other opportunities within the work I was given.					

I possess the leadership qualities required of an entrepreneur.					
After I graduate, I've given the idea of opening my own company some serious thought.					
I would rather have my own profitable business than work in a stable, well-paying position.					

- **Locus of control**

Statements	5	4	3	2	1
I believe that luck plays a major role when things go well.					
I have faith in my talents to launch a business.					
I virtually always manage to pull things through when I set goals.					
Success is typically the result of diligence and hard work.					

- **Risk taking**

Statements	5	4	3	2	1
Taking chances worries me, especially if there could be large rewards.					
In the event that the potential returns on investment were really great, I wouldn't hesitate to invest in a new company that might fail.					
I've always believed that security is a necessary component of every stage of life.					

- **Tolerance to ambiguity**

Statements	5	4	3	2	1
If I don't believe there is a solution, I don't find problems very appealing.					
In social situations when I have little control, I tend to become quite nervous.					
Rather to dissecting big situations into smaller components, it is better to focus on their larger characteristics.					

6. Perceived Government policy

Statements	5	4	3	2	1
Ethiopia offers enough incentives to support start-up business.					
The steps involved in starting a new business are straightforward.					
Policies, laws, and rules of the government are advantageous for starting a firm.					
The ease of starting a firm can be attributed to the administrative procedures' simplicity.					

PART C: ENTREPRENEURIAL INTENTION

Based on your opinion, please indicate the most appropriate response with the scale given below.

1= Strongly Agree 2- Agree, 3= Neutral, 4 =Disagree, 5= Strongly Disagree

Entrepreneurial intention.

Statements	5	4	3	2	1

I'll work hard and enjoy the challenge of launching my own business.					
I would rather start my own business than work for a corporation or other institution.					
I'll put in the work and welcome the challenge of starting my own business.					
One day, I really want to launch my own business.					
I have a really good business concept.					

If you have any additional comments on entrepreneurship, you are most welcome.

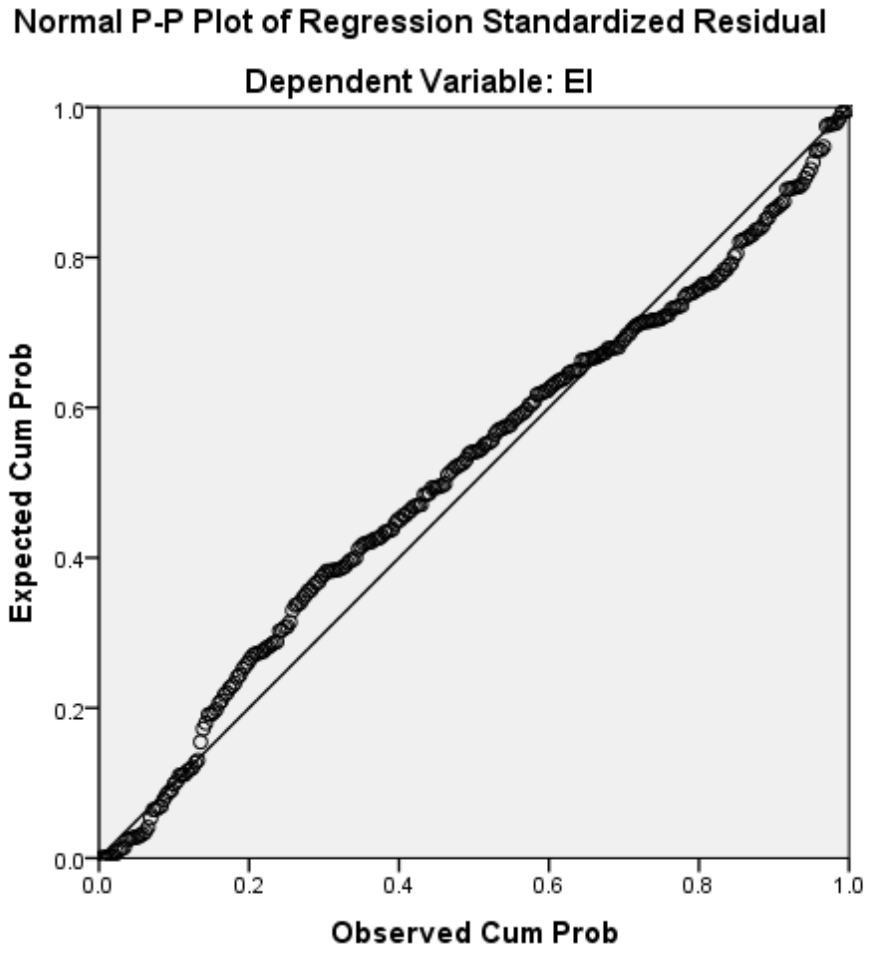
_____

_____

_____

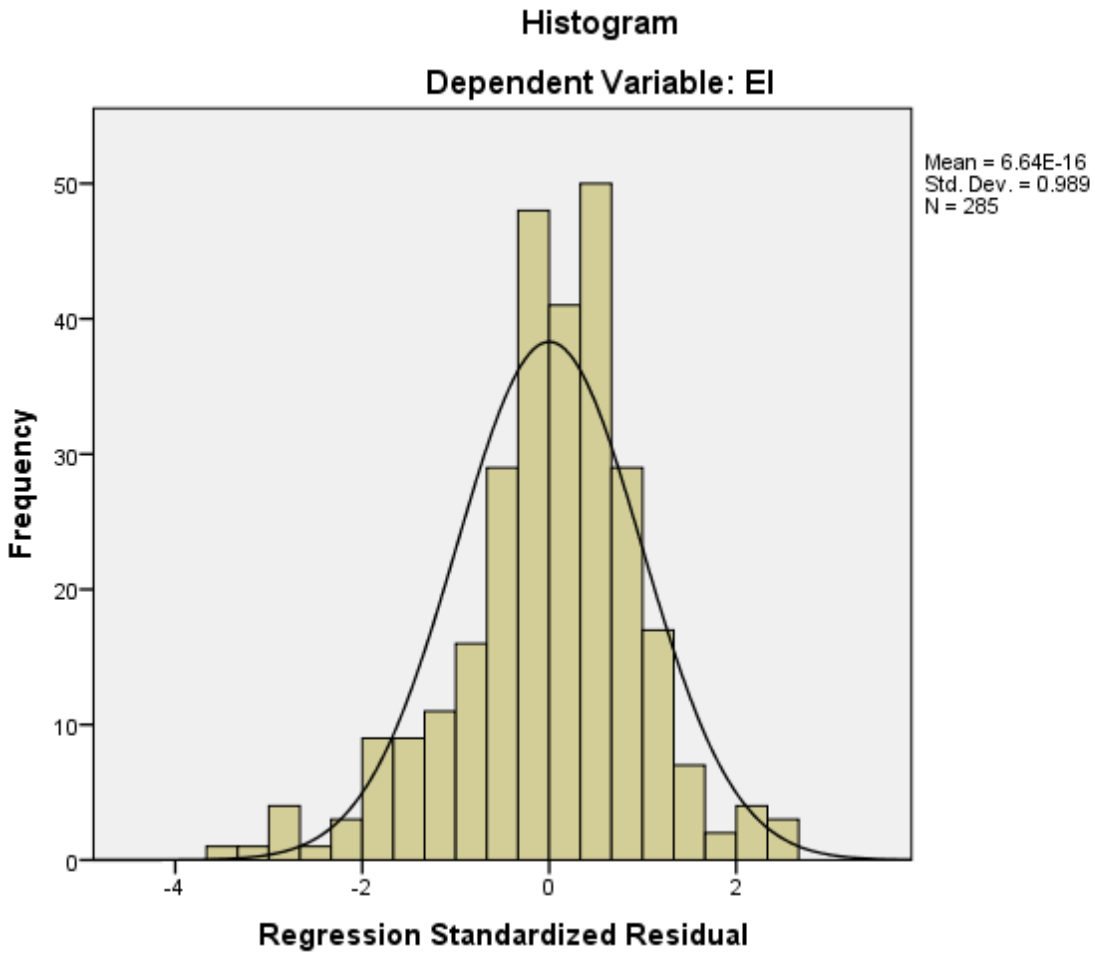
THANK YOU

APPENDIX TWO



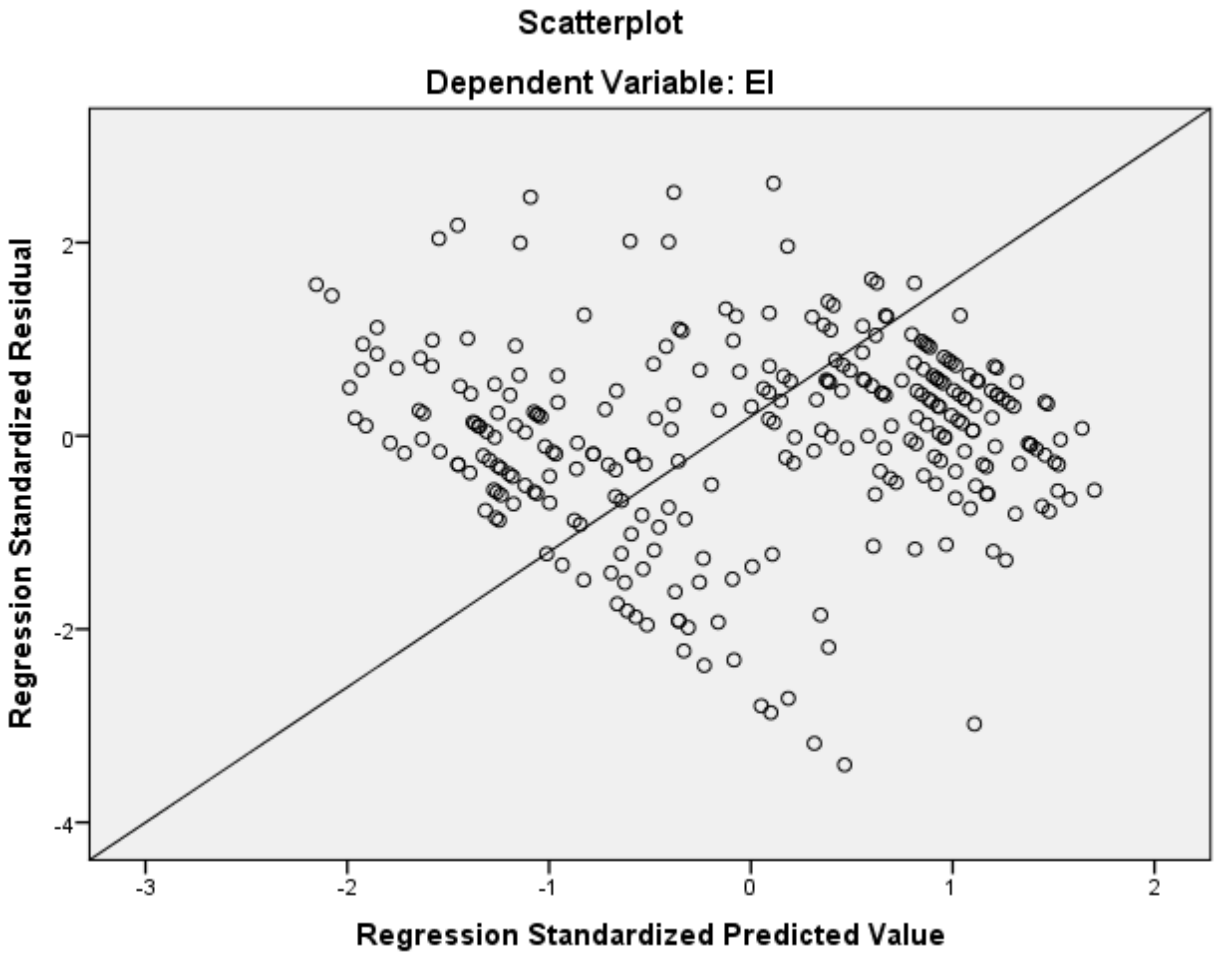
Source: Own survey data, 2024

Figure 4. 1: **Linearity Assumption test**



Source: Own survey data, 2024

Figure 4. 2: **Normality Assumption Test**



Source: Own survey data, 2024

Figure 4. 3: Homoscedasticity Assumption Test