

Entrepreneurial Intention among Bangladeshi Tourism Students

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ABSTRACT

This study aims to investigate entrepreneurial intention among the Bangladeshi tourism students. This study is quantitative in nature and questionnaire survey method is used to obtain the information for this study. This study found that Bangladeshi tourism students are not interested in entrepreneurship. Most of the participants want to choose their future career as an employee in any company or organization. They are not eager to accept risk or challenges. Although maximum respondents want to implement their tasks innovatively, they will not choose their career as an entrepreneur. Since this study is intention and perception based, it is possible that future research may generate different result in relation with the change in student intention about entrepreneurship. The study will be useful to the researchers who want to know the tourism student intention on entrepreneurship. Further research should be preceded by providing some suggestions and guidelines to motivate Bangladeshi tourism students to choose the entrepreneurial as their career and this will be very beneficial for the development of the tourism sector in Bangladesh. The findings of this study will be beneficial for practitioners who are interested in understanding tourism student's entrepreneurial intention. The development of conceptual framework in this study will enrich the literature regarding the construct of tourism student intention about entrepreneurship. This study will be useful in providing an insight of entrepreneur and entrepreneurship as well as some factors of entrepreneurship such risk-taking propensity, innovativeness, as well as education and training.

Keywords: Entrepreneur, entrepreneurship, entrepreneurial intention, tourism students.

1. INTRODUCTION

Entrepreneurship is considered as a way of generating employment opportunities and tackling serious economic and social problems such as poverty, financial constraint, and unemployment. Thus, governments recognize entrepreneurship as a major contributor in economic development in both developing and developed countries. Moreover, it is important for innovation and technological progress to survive in the global competition (Ozaralli & Rivenburgh, 2016).

Tourism entrepreneurship is playing a vital role in promoting tourists' experience and satisfaction as well as community and destination development (Gurel, Altinay, & Daniele, 2010).

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Tourism is one of the developing sectors in Bangladesh (Rahman, Hossain, Miti, & Kalam, 2010). It is not flourished in an expected level although Bangladesh Tourism Board (BTB) and Bangladesh Tourism Corporation (BTC) have been trying to promote and provide more facilities to attain tourists' satisfaction and destination development. BTB and BTC also provide training programs in order to increase entrepreneurial intention. Furthermore, National Hotel and Tourism Training Institute (NHTTI) under BTC and ATAB training institute has been providing training programs on hotel, tourism, travel agency and several other short courses. Previous research indicate that education and training programs influence individuals' cultural values because the manner in which people are educated from an early age and the transferable skills help develop their level of entrepreneurship (Hayton, George, & Zahra, 2002). Tourism and hospitality education is still considered very much vocational and action oriented which is helpful in fostering entrepreneurship (Kirby, 2005).

Research on entrepreneurial intention has a long history where there are a lot of influencing factors such as family background, risk-taking propensity, creativity and innovativeness, education and training, tolerance of ambiguity, locus of control, and socio-cultural factors. These factors foster people to be an entrepreneur positively and negatively (Gurel, Altinay, & Daniele, 2010). This study focuses on some factors such as risk-taking propensity, innovativeness and education & training. Furthermore, the influence of those factors on tourism students in Bangladesh was investigated. This study further evaluated the students' mentality about tourism entrepreneurship. Ultimately, this study also examined the future intention of tourism students to start new businesses with fresh and innovative ideas that can help in the development of the tourism sector in Bangladesh.

2. LITERATURE REVIEW

2.1 Theoretical Background of Entrepreneur and Entrepreneurship

Schumpeter defined "the function of entrepreneurs is to reform or revolutionize the pattern of production by exploiting an invention or, more generally, an untried technical possibility for producing a new commodity or producing an old one in a new way" (Baumol, 1993, p. 198). An entrepreneur is a person with the initiative to form a business with his expertise, creative thinking and innovation. According to the definition of the International Labor Organization (ILO), entrepreneur has a set of characteristics, including risk taking, leadership, originality, self-confident, result and future oriented. Entrepreneurship is the results of qualities of entrepreneur such as innovation, investment, and expansion in productivity (Oviatt, & McDougall, 2005).

Entrepreneurship is the act of self-motivation, originality, resourcefulness, imagination, and ingenuity to start new venture with uncertainty in a society (Chowdhury, 2017). Entrepreneur is the cornerstone of the entrepreneurship phenomenon because previous researchers found some characteristic differences between entrepreneurs and non-entrepreneurs. The characteristics are the required preconditions for entrepreneurship (Thomas, & Mueller, 2001; Utsch, & Rauch, 2000). According to the Business Dictionary, entrepreneurship is the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. Intention is a direct antecedent of real behaviour and it has been the best predictor of most planned behaviour, including entrepreneurial behaviour (Krueger, Reilly, & Carsrud, 2000). *Moreover, according to Ajzen (2002), entrepreneurial intention is a deliberate and conscious decision to start a new business.*

2.2 Factor Affecting Entrepreneurial Intention

2.1.1 Risk-taking Propensity

There are so many traits that affect intentions of an individual to set up a new venture. Risk-taking propensity is one of the best predictor of entrepreneurial intention that is related to the entrepreneurial performance (Ozaralli, & Rivenburgh, 2016). Risk-taking propensity refers to the tendency to undertake or avoid risk. Individuals with a greater risk acceptance have stronger levels of entrepreneurial intention (Zhao, Seibert, & Lumpkin, 2010). Entrepreneur that wants to set up a new business have to dedicate their time, money and effort, assuming the accompanying financial, psychic, and social risk. Several empirical research findings suggest that entrepreneurs prefer to take moderate risks in their business decisions rather than being involved in situations where there is extreme risk or uncertainty (Koh, 1996; Thomas & Mueller, 2000).

2.1.2 Innovativeness and Creativity

Ozaralli & Rivenburgh (2016, p. 8) stated that “innovation is the process of turning ideas and knowledge into new value through creative thinking”. Many researchers claim that innovation is a specific tool for entrepreneurs. Innovativeness and creativity refers to the entrepreneur’s ability to perceive and act upon business activities in new and unique ways (Robinson, 1991, p. 19). Several research findings indicate innovation as a primary motive to start a business.

2.1.3 Education and Training

In many countries, entrepreneurship courses have been introduced in the education system as one of the many efforts to attract educated youth so that they

take entrepreneurship as a profession. In Bangladesh, entrepreneurship course and training has been organized in a very limited scale in the education system recently. Many authors believe "entrepreneurs are born and not made" that means entrepreneurial qualities are born and cannot be developed by education, training or any other means (Rahman, & Islam, 2014). On the contrary, Clercq & Arenius (2006) stated that "people's entrepreneurial inclination actually increases with education". Findings from many researches indicate that students who studied management particularly want to be self-employed entrepreneur compared to students that did not take such course.

2.1.4 Entrepreneurial Intention

Entrepreneurial intention refers to a deliberate and conscious decision to become an entrepreneur and to create a new business. Innovativeness, risk-taking propensity, and education and training influence the intention to start a new business (Gurel, Altinay, & Daniele, 2010). According to Koh (1996), there is a significant relationship between these variables (like risk-taking propensity, innovativeness, and education and training) and entrepreneurial intention. Koh (1996) performed a survey comprising fourth-year university students in Turkey as the respondents in order to find out statistical relationship between the variables and intention for starting a new business. From the survey, Koh found that entrepreneurially inclined students shown a higher risk-taking mentality and innovativeness compared to students without entrepreneurial intention.

A Proposed Model

Based on the above three sub-sections on theoretical and empirical contributions to explaining business start-ups, the research model of intention is presented in Figure 1.

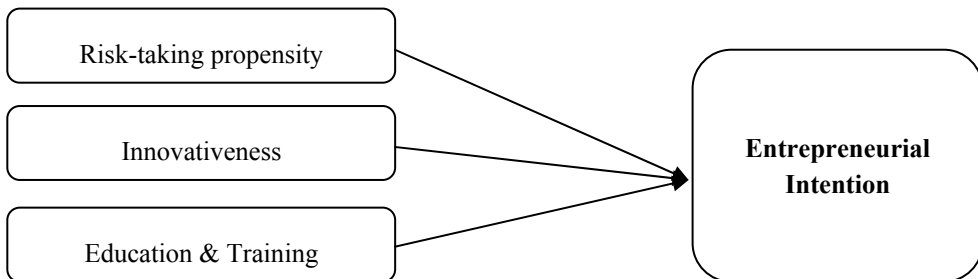


Figure 1: Research Model for Entrepreneurial Intention

3. RESEARCH METHODOLOGY

3.1 Research Design

A quantitative method has been used to conduct this study. For getting detail explanation, quantitative research may be the best option since many researchers widely used this method for the measurement of independent and dependent variables with highest efficiency and variety which are important for specific research phenomena (Matveev, 2002).

Data collection in this research has been conducted through questionnaire survey method. Surveys are commonly used technique (Jennings, 2001). Through the survey methods, data were gathered through oral or written questioning (Hoinville and Jowell, 1978). According to Kerlinger & Lee (2000), survey method is the best way to know about the facts and beliefs of those related to social and personal features.

3.2 Selection of the Sample

According to Mueller (2004), today's university students have significant potential for becoming future entrepreneur. Respondents in this study are from University of Dhaka in Bangladesh. The samples were selected from the university students who are studying in tourism and hospitality management department in Faculty of Business Studies.

3.3 Measurement

The questionnaire comprises of 5 parts. The first part is the demographic profile of respondents. The second, third and fourth part consist of risk-taking propensity, innovativeness, and education and training respectively. The final part of the questionnaire is about entrepreneurial intention. Responses were measured by using 5-point Likert-type scale; the highest score (5=) represents strongly agree and lowest score (1=) represents strongly disagree. The respondents were asked to rate the opinion in these points 1-5 for all parts of questionnaire except demographic profile since it is only related to personal information of respondents (see Table 1).

Table 1: Items used in this study

Variables	Items	References
Risk-taking propensity	<ol style="list-style-type: none"> 1. I do not like to put something at risk. 2. I would rather be on the safe side. 3. I enjoy adventures having an element of peril. 	(Ozaralli, & Rivenburgh, 2016; Mueller, & Thomas, 2001; Stewart, Watson, Carland, & Carland, 1999)
Innovativeness	<ol style="list-style-type: none"> 1. I like to experiment with various ways of doing the same thing. 2. I usually continue doing a new task in exactly the way it was taught to me. 	(Ozaralli, & Rivenburgh, 2016; Mueller, & Thomas, 2001)
Education & training	<ol style="list-style-type: none"> 1. I am interested in receiving entrepreneurial training as part of my university education. 2. I am interested to read more books on entrepreneurship in university level. 	(Ozaralli, & Rivenburgh, 2016); Mueller, & Thomas, 2001).
Entrepreneurial intention	<ol style="list-style-type: none"> 1. I will choose a career as an entrepreneur. 2. I will choose a career as an employee in a company/an organization. 3. I prefer to be an entrepreneur rather than to be an employee in a company/organization. 	(Kristiansen & Indarti, 2004)

3.4 Data collection process

In order to collect data, questionnaire was distributed among the university students. The questionnaire was developed within the context of the literature review on the entrepreneurial intention among the students, particularly tourism students who know about tourism and aware about the developing tourism sector. Total 50 questionnaires were sent and 47 responses were received having a response rate of 94% of total population. Creswell (2002) stated that small sample size is perfect in order to help understand any intention or perception within a very short time,

4. DATA ANALYSIS AND FINDINGS

Findings in this study are represented in pie charts and table form. Pie charts show the percentages of responses of each variable while the table shows the regression analysis.

Education and Training

Referring to Figure 2, most of the respondents (with percentage of 44.68%) strongly agree that they are interested in receiving entrepreneurial training as part of their university education. On the other hand, there are very few respondents (with percentage of only 6.38%) are not interested in receiving entrepreneurial training as part of their university education.

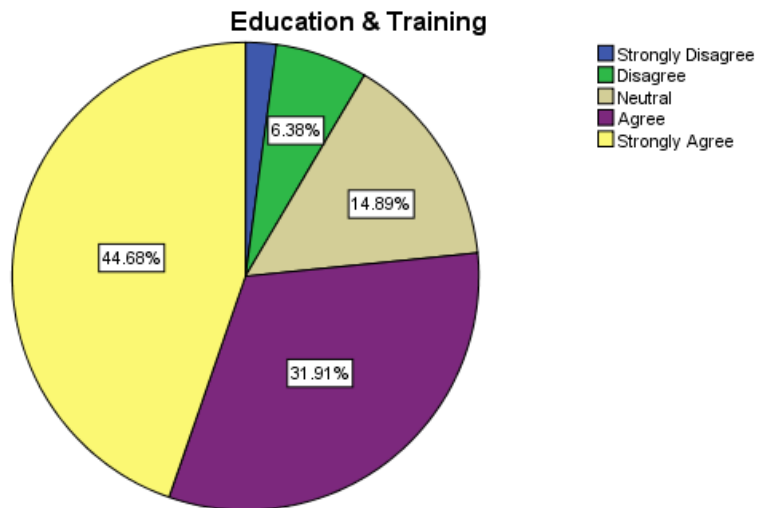


Figure 2: Education and Training

Risk-taking Propensity

This pie chart in Figure 3 is showing that 21.28% respondents agree that they are interested in accepting challenging tasks in their future career. On the other side, approximately 21.28% are not interested. The percentages of agreed and disagreed respondents are the same.

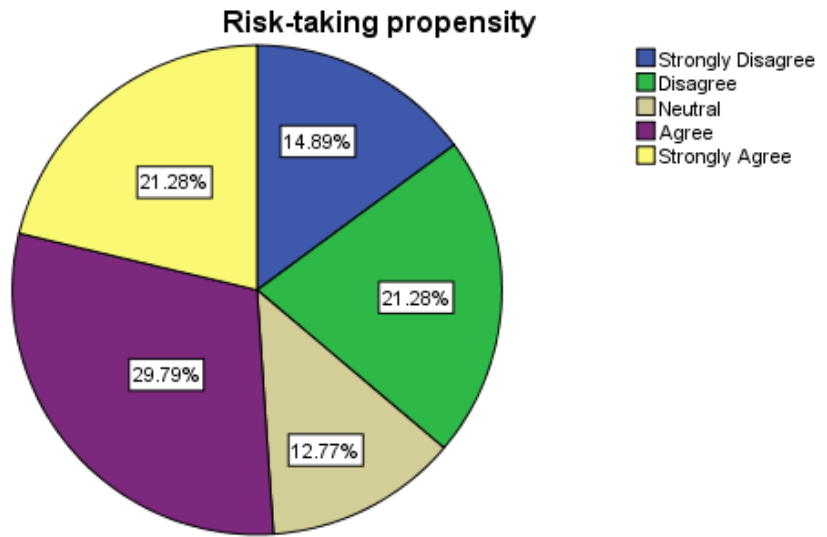


Figure 3: Risk-taking Propensity

Innovativeness

The findings shown in Figure 4 indicates that approximately 27.66% of tourism students of University of Dhaka want to experiment with various ways of doing the same thing and they want to continue doing a new task. On the other side, many respondents (with percentage of 21.28%) prefer to be in neutral position.

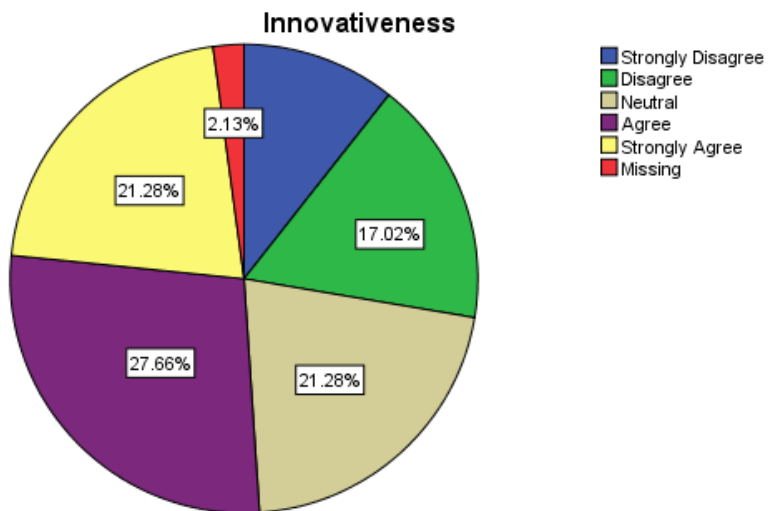


Figure 4: Innovativeness

Entrepreneurial Intention

The pie chart in Figure 5 shows the percentages of respondents agree and disagree about entrepreneurial intention is 40.43% and 27.66% respectively. This finding indicates that students of Bangladeshi tourism do not prefer having a career as an entrepreneur. They want to choose a career as an employee in a company or any other organization.

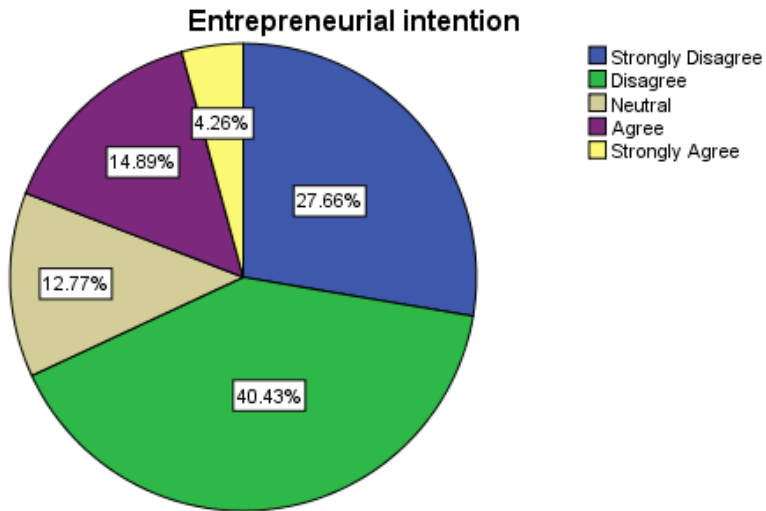


Figure 5: Entrepreneurial Intention

Regression Analysis:

The first table of interest is the **Model Summary** table, as shown in the following Table 2. Table 2 provides the R and R square values. The R value represents the simple correlation of 0.587 (the “**R**” column), which indicates high degree of correlation. The R square value (the “**R Square**” column) indicates that the Bangladeshi tourism students’ intention on entrepreneurship in the dependent variable (entrepreneurial intention) can be explained by the independent variable (risk-taking propensity, innovativeness, education and training). In this case 29.60% of the entrepreneurial intention can be explained, which is very large.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.587 ^a	.344	.296	.97690

- a. Predictors: (Constant), Education & Training, Innovativeness, Risk-taking propensity

Table 3 indicates that the regression model significantly predicts the dependent variable significantly well. Here, $p < 0.001$, which is less than 0.05.

Table 3: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	20.517	3	6.839	7.166	.001 ^b
1 Residual	39.128	41	.954		
Total	59.644	44			

- a. Dependent Variable: Entrepreneurial intention

- b. Predictors: (Constant), Education & Training, Innovativeness, Risk-taking propensity

Table 4 shows the unstandardized and standardize coefficients for the model.

The **Coefficients** table provides us with the necessary information to predict entrepreneurial intention from risk-taking propensity, innovativeness and education & training as well as determine whether these independent variables contribute statistically significantly to the model (by looking at the "Sig." column). Furthermore, we can use the values in the "B" column under the "**Unstandardized Coefficients**" column, as shown below:

Table 4: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.173	.815		3.895	.000
1 Risk-taking propensity	.296	.118	.338	2.510	.016
Innovativeness	.177	.150	.157	1.181	.245
Education & Training	-.422	.147	-.376	-2.870	.006

- a. Dependent Variable: Entrepreneurial intention

When the value P (sig) is less than 0.5, it represents positive significant value. Here, the value of P (sig) for risk-taking propensity is positive as they are less than 0.5. The values of P (sig) for innovativeness and education and training are also positive because it is less than 0.5.

It is said in the interpretation of unstandardized coefficient in linear regression that it represents the amount by which dependent variable changes if we change independent variable by one unit keeping other independent variables constant. Thus, in the case of unstandardized coefficients of the model predicts that 1 level of standard increase of risk-taking propensity will increase 0.296-unit level of increase in the entrepreneurial intention holding innovativeness and education & training constant.

In the case unstandardized coefficients of the model predicts that 1 level of effectiveness and success increase of innovativeness will increase 0.177-unit level of increase in the entrepreneurial intention holding risk-taking propensity and education & training constant.

Here we can see the negative co-efficiency between education and training, and entrepreneurial intention. This result is surprising. However, the increasing number of respondent may change the result. The model shows the impact on the standard deviation of the dependent variable while holding other independent variables constant.

5. CONCLUSIONS

This study has provided an overview intention and perception on entrepreneurship among the university students and briefly explained some factors of entrepreneurship that influence entrepreneurship. This study was designed to investigate the entrepreneurial intention among the tourism students of the university from Bangladesh and to evaluate how they perceive the entrepreneurial career. A research framework has been developed to demonstrate the influence of risk-taking propensity, innovativeness, and education and training towards intention on entrepreneurship. This study has shown that most of the respondents are not interested to take risk to choose entrepreneurship career. They want to be employed by any company or organization. However, these students want entrepreneurial education and training as part of their university studies. Finally, regression analysis shows that there is a meaningful relationship risk-taking propensity, innovativeness, education and training, and entrepreneurial intention.

There are some limitations encountered during the preparation of this paper on this topic. Firstly, respondents were confused about their future career, whether to accept entrepreneurial, public or private jobs. Secondly, participants were not eager to fill up the questionnaire. Lastly, time was very limited for in-depth investigation. This study will contribute to the researchers who want to know the tourism student's intention on entrepreneurship. Further research should be preceded through providing some suggestions and guidelines to motivate Bangladeshi tourism students to choose entrepreneurial as their career. In

addition, it will be very beneficial for the development of the tourism sector in Bangladesh.

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