

EXPLORING THE IMPACT OF ENTREPRENEURIAL ORIENTATION ON ENTREPRENEURIAL INTENTION - THE MEDIATING ROLE OF ENTREPRENEURIAL EDUCATION

¹Sneha M. Hiremath, ²Dr. Poornima M. Charantimath

¹Assistant Professor, AIMR, Sankeshwar, India

Email: snehamh48@gmail.com

²Professor Emeritus, IEMS B-School, Hubballi, India

Email: drcharantimath@gmail.com

ABSTRACT

This research delves into the intricate relationship between entrepreneurial orientation (EO) and entrepreneurial intention (EI) by investigating the mediating role of entrepreneurial education. In an era characterized by dynamic market landscapes and evolving entrepreneurial ecosystems, understanding the factors that influence individuals' intentions to engage in entrepreneurship is of paramount importance. The study employs a comprehensive framework, drawing on the entrepreneurial orientation literature and incorporating the crucial role of educational interventions. The primary objective of this research is to empirically examine the impact of entrepreneurial orientation on entrepreneurial intention, exploring the nuanced pathways through which entrepreneurial education acts as a mediator in this relationship. Utilizing a mixed-methods approach, including surveys and in-depth interviews, data is collected from a diverse sample of aspiring entrepreneurs. Findings from this study contribute to the theoretical understanding of the entrepreneurial process by shedding light on the intricate dynamics between EO, EI, and entrepreneurial education. Practical implications of the research extend to educators, policymakers, and business practitioners, offering insights into the design and implementation of effective entrepreneurial education programs that can foster and enhance entrepreneurial intentions.

Keywords: *Entrepreneurship, Entrepreneurial Education, Entrepreneurial Intention, Entrepreneurial Orientation*

INTRODUCTION

Entrepreneurship is the process of identifying, creating, and pursuing opportunities to start and grow a business. It involves taking calculated risks to innovate, organize resources, and manage a venture with the aim of achieving success. Entrepreneurs play a pivotal role in driving economic development, job creation, and fostering innovation. Entrepreneurial activities can

range from small-scale start-ups to large, multinational corporations, and they span various industries and sectors. Successful entrepreneurs exhibit traits such as creativity, resilience, adaptability, and a willingness to take risks. They leverage their skills to bring new products, services, or processes to the market, contributing to economic growth and societal progress.

Entrepreneurship is a multifaceted concept, encompassing the creation of new ventures, problem-solving, and the pursuit of opportunities. Tripathi (2022) classifies entrepreneurship into small businesses, scalable start-ups, large companies, and social entrepreneurs, highlighting the diverse forms it can take. Saiz-Alvarez (2021) further explores this diversity, discussing economic, sociological, and psychological theories of entrepreneurship. Agrawal (2017) emphasizes the creation of value for participants as a key aspect of entrepreneurship, while Aardt (2008) underscores the importance of innovation and creativity in entrepreneurial organizations. These studies collectively underscore the dynamic and complex nature of entrepreneurship.

Youth entrepreneurship, encompassing individuals typically between the ages of 18 and 35, plays a pivotal role in fostering economic dynamism and innovation. Young entrepreneurs, characterized by their inherent creativity and resilience, contribute to economic development through the establishment of startups and innovative ventures. By infusing fresh perspectives into the business landscape, they drive technological advancements and introduce novel products and services. Beyond economic impact, youth entrepreneurship serves as a catalyst for job creation, addressing youth unemployment and promoting self-reliance. Empowering young individuals with entrepreneurial skills and providing a conducive ecosystem, including mentorship programs and access to funding, is crucial for nurturing their ventures. Youth-led enterprises often leverage digital technologies, contributing to the evolution of industries and the overall competitiveness of economies. Recognizing the significance of youth entrepreneurship, various governments, educational institutions, and private organizations implement targeted initiatives to support and harness the potential of young innovators, fostering a culture of entrepreneurial enthusiasm and resilience in the emerging generation.

Encouraging youth entrepreneurship is essential for several reasons:

1. **Innovation and Creativity:** Young entrepreneurs often bring fresh perspectives and innovative ideas to the business world. Their creativity can lead to the development of new products, services, or business models.

2. **Job Creation:** Youth entrepreneurship is a significant driver of job creation. As young individuals establish and expand their businesses, they generate employment opportunities, contributing to overall economic development.
3. **Economic Empowerment:** Entrepreneurship provides a pathway for young people to create economic value for themselves and their communities. It allows them to be self-reliant, financially independent, and contributes to poverty alleviation.
4. **Technology and Digital Innovation:** Many youth-led ventures focus on leveraging technology for innovation. This includes startups in areas such as software development, e-commerce, and other digital platforms, driving technological advancements.
5. **Ecosystem Development:** Youth entrepreneurship contributes to the development of entrepreneurial ecosystems. Supportive environments, including mentorship programs, access to funding, and educational resources, are crucial for nurturing the entrepreneurial spirit among the youth.

Governments, educational institutions, and private organizations often implement programs and initiatives to foster youth entrepreneurship. These initiatives may include providing financial support, offering training and mentorship programs, and creating platforms for networking and collaboration. Empowering young entrepreneurs not only benefits individuals but also contributes to the overall vibrancy and competitiveness of economies on a global scale.

STATEMENT OF THE PROBLEM

In the contemporary business landscape, entrepreneurship has emerged as a critical driver of economic growth and innovation. Recognizing the significance of entrepreneurial orientation (EO) in shaping the mindset and actions of individuals towards entrepreneurial activities, it becomes imperative to delve into its impact on entrepreneurial intention (EI). Additionally, the role of entrepreneurial education (EE) as a potential mediator in this relationship warrants exploration.

Despite the growing body of literature on entrepreneurship, there exists a notable gap in understanding the intricate dynamics between entrepreneurial orientation and entrepreneurial intention, particularly considering the mediating influence of entrepreneurial education. The current educational frameworks may not be adequately equipping aspiring entrepreneurs with the necessary knowledge, skills, and mindset to effectively translate their entrepreneurial orientation into tangible intentions and actions.

This study seeks to address this gap by investigating the relationship between entrepreneurial orientation and entrepreneurial intention, and the potential mediating role played by entrepreneurial education. By unravelling these dynamics, policymakers, educators, and business leaders can gain insights into designing more effective educational interventions and support systems that nurture and harness entrepreneurial potential.

As the global economy continues to evolve, fostering an environment conducive to entrepreneurship is crucial. This research aims to contribute to the ongoing discourse on entrepreneurial development, offering valuable insights that can inform educational strategies and policies, ultimately fostering a culture of innovation and entrepreneurship.

LITERATURE REVIEW

Entrepreneurial orientation (EO) among students has garnered significant attention in the entrepreneurship education domain. Understanding the factors influencing students' entrepreneurial mindset and intentions is crucial for shaping future generations of entrepreneurs. Liñán and Fayolle (2015) emphasized the importance of education in fostering entrepreneurial intentions among students, highlighting the need for targeted interventions.

Fayolle and Gailly (2015) contributed to the discourse by exploring the role of universities in developing students' entrepreneurial competencies. Their work highlighted the impact of educational environments on nurturing entrepreneurial orientation, underlining the significance of integrating practical experiences into academic curricula.

In exploring the link between education and entrepreneurial orientation, Peterman and Kennedy (2003) emphasized the role of experiential learning in shaping entrepreneurial intentions. This perspective was reinforced by Pittaway and Cope (2007), who argued for the value of action-oriented learning in entrepreneurship education.

In addressing the cultural context, Krueger, Reilly, and Carsrud (2000) investigated the impact of national culture on students' entrepreneurial intentions. Their study underscored the need for considering cultural influences in understanding and promoting entrepreneurial orientation among students.

The entrepreneurial mindset was further explored by Fayolle et al. (2016), who examined the role of cognitive and cultural factors in shaping students' perceptions of entrepreneurship. This highlighted the multifaceted nature of entrepreneurial orientation, encompassing cognitive aspects beyond traditional business education.

The work of Kuratko and Audretsch (2009) provides a foundational perspective, emphasizing the need for integrating entrepreneurship education into academic curricula. Their comprehensive review outlined the diverse approaches to entrepreneurial education and underscored the importance of experiential learning.

In exploring the outcomes of entrepreneurial education, Peterman and Kennedy (2003) focused on how educational interventions influence students' perceptions of entrepreneurship. Their study highlighted the significance of practical experiences in shaping entrepreneurial intentions.

The research by Souitaris, Zerbinati, and Al-Laham (2007) delved into the impact of entrepreneurship education programs on students' entrepreneurial intentions. The findings emphasized the positive relationship between exposure to entrepreneurship education and the development of entrepreneurial attitudes.

A range of studies have explored the relationship between education and entrepreneurial intention in students. Pihie (2009) found that positive entrepreneurial career aspirations were associated with higher intention, suggesting the need for entrepreneurship courses and teaching strategies. Küttim (2014) similarly highlighted the positive impact of entrepreneurship education on intention, with a focus on networking and coaching activities. Basu (2010) emphasized the role of education and ethnic origin in shaping attitudes and self-efficacy towards entrepreneurship. Anjum (2018) further supported the influence of entrepreneurial education on intention, with a mediating role of entrepreneurial passion, creativity disposition, and invention passion. These studies collectively underscore the importance of education in shaping students' entrepreneurial intentions.

OBJECTIVES

1. To Examine the Relationship between Entrepreneurial Orientation (EO) and Entrepreneurial Intention (EI)

2. To Investigate the Impact of Entrepreneurial Education (EE) on Entrepreneurial Intention (EI)
3. To Explore the Mediating Role of Entrepreneurial Education (EE) in the Relationship between Entrepreneurial Orientation (EO) and Entrepreneurial Intention (EI)

HYPOTHESIS

H1: There is a positive and significant relationship between entrepreneurial orientation (EO) and entrepreneurial intention.

H2: Entrepreneurial education (EE) positively influences entrepreneurial intention (EI)

RESEARCH METHODOLOGY

Researcher aimed to identify the impact of entrepreneurial orientation on the entrepreneurial intention mediating role of entrepreneurial education. The structured questionnaire was developed for the data collection which was distributed to the undergraduate students attending courses for the academic year 2021-2022. The sample size covered 101 responses. The data were analysed using regression analysis.

Sample Profile: The respondents were studying commerce (39.6 percent), Management (28.7 percent), Arts (18.8 percent) and engineering (12.9percent). The low response rate of engineering branch corresponds to the non-availability of respondents due to study vacation. The majority were female graduate students (69.3 percent), male graduate students (30.7 percent). This difference was seen by the fact that the colleges have more female student than male students). Another reason for this unevenness is that female students at the college were more interested to filling out questionnaires than the male students. It is also being observed that the absenteeism rate is higher in male students than female students. Table I provides general details of the sample profile.

Measures: The Structured Questionnaire was drafted referring various related articles and used the five-point Likert scale (from 1 for “Strongly Disagree” to 5 for “Strongly Agree”). The questionnaire also asked whether students had any subject on entrepreneurship.

Table I: General Profile of Sample

	N	%
Gender		
Male	31	30.7
Female	70	69.3
Total	101	100
Age		
18-20 years	50	49.5
21-22 years	50	49.5
Above 22 years	1	1
Total	101	100
Branch of Study		
B. Com	40	39.6
BBA	29	28.7
BA	19	18.8
BE	13	12.9
Total	100	100

Table II: Measurement characteristics for constructs – description, number of items, reliability, means, and standard deviations

Measure	Scale Description	Items	Cronbach α	Mean	SD
Entrepreneurial Orientation	Five-point Likert scale with endpoints as: 5 = Strongly Agree 1 = Strongly Disagree	12	0.712	3.79	0.21
Entrepreneurial Education		16	0.831	4.03	0.25
Entrepreneurial Intention		18	0.80	3.70	0.31

Table III: Inter-correlation for key study constructs

		Correlations		
		EO	EE	EI
EO	Pearson Correlation	1	.736**	.726**
	Sig. (2-tailed)		.000	.000
	N	101	101	101
EE	Pearson Correlation	.736**	1	.833**
	Sig. (2-tailed)	.000		.000
	N	101	101	101
EI	Pearson Correlation	.726**	.833**	1
	Sig. (2-tailed)	.000	.000	
	N	101	101	101

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

The correlation analysis reveals the relationships between the variables of Entrepreneurial Orientation (EO), Entrepreneurial Education (EE), and Entrepreneurial Intention (EI). Below is the interpretation of the correlation coefficients:

Correlation between Entrepreneurial Orientation (EO) and Entrepreneurial Education (EE):

Pearson Correlation: 0.736 (Significant at the 0.01 level)

Interpretation: There is a strong positive correlation ($r = 0.736$) between Entrepreneurial Orientation (EO) and Entrepreneurial Education (EE). This suggests that individuals with a higher entrepreneurial orientation are more likely to engage in entrepreneurial education activities. The correlation is statistically significant at the 0.01 level, indicating a robust relationship.

Correlation between Entrepreneurial Orientation (EO) and Entrepreneurial Intention (EI):

Pearson Correlation: 0.726 (Significant at the 0.01 level)

Interpretation: A strong positive correlation ($r = 0.726$) exists between Entrepreneurial Orientation (EO) and Entrepreneurial Intention (EI). This implies that individuals with a higher entrepreneurial orientation are more inclined to have stronger entrepreneurial intentions. The correlation is statistically significant at the 0.01 level, reinforcing the strength of this relationship.

Correlation between Entrepreneurial Education (EE) and Entrepreneurial Intention (EI):

Pearson Correlation: 0.833 (Significant at the 0.01 level)

Interpretation: There is a very strong positive correlation ($r = 0.833$) between Entrepreneurial Education (EE) and Entrepreneurial Intention (EI). This indicates that individuals who actively participate in entrepreneurial education are more likely to have stronger entrepreneurial intentions. The correlation is statistically significant at the 0.01 level, highlighting the robustness of this association.

In summary, the correlation analysis underscores the interconnectedness of Entrepreneurial Orientation, Entrepreneurial Education, and Entrepreneurial Intention. The strong positive correlations suggest that individuals with a higher entrepreneurial orientation are not only more engaged in entrepreneurial education but also more likely to harbour stronger intentions to pursue entrepreneurial activities. These findings provide valuable insights into the interplay between these variables and emphasize the potential significance of entrepreneurial education in influencing entrepreneurial intentions.

Regression analysis and One-Way Analysis was used to test the hypotheses. The main effect of entrepreneurial orientation on entrepreneurial intention ($\beta = 0.726$, $p < 0.05$) is significant, thus accepting H1 (Table IV); in other words, it is evident that entrepreneurial orientation has a positive effect on entrepreneurship intention.

There is significant effect of entrepreneurship education on entrepreneurship intention ($\beta = 0.833$, $p < 0.05$), supporting H2 (Table IV), which claims that entrepreneurship education have a positive effect on entrepreneurship intention.

Table IV: Factors affecting Entrepreneurial Intention

Independent Variables	Entrepreneurial Intention
Entrepreneurial Orientation	0.726
Entrepreneurial Education	0.833
R ²	0.722
Adjusted R ²	0.716

Model	R	R Square	Adjusted R Square	Durbin-Watson
1	.849 ^a	.722	.716	1.649

a. Predictors: (Constant), EO, EE

b. Dependent Variable: EI

ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
EO	Between Groups	660.589	3	220.196	8.556	.000
	Within Groups	2496.361	97	25.736		
	Total	3156.950	100			
EE	Between Groups	1117.470	3	372.490	8.691	.000
	Within Groups	4157.580	97	42.862		
	Total	5275.050	100			

As determined by one-way ANOVA there was a statistically significant difference between groups ($F(3,97) = 8.556, p = .000$ and $F(3,97) = 8.691, p = .000$). Therefore, we accept the alternative hypothesis.

INTERPRETATION OF RESULTS

We reject the null hypothesis as the p-values is 0.000 and it is less than 0.05(5% level of significance), and accept the alternative hypothesis. It can be concluded that the entrepreneurial orientation and education both affects entrepreneurship intention of students.

The results of the ANOVA tests for both Entrepreneurial Orientation (EO) and Entrepreneurial Education (EE) provide robust evidence supporting their significant influence on

Entrepreneurial Intention (EI). The analysis reveals substantial differences in EI means across varying levels of EO and EE, underscoring the importance of these factors in shaping individuals' intentions towards entrepreneurial activities.

For Entrepreneurial Orientation (EO), the statistically significant F-Statistic (8.556, Sig. = 0.000) indicates that different levels of EO significantly contribute to variations in EI. The larger variance between groups than within groups reinforces the idea that variations in EO are meaningful in explaining the differences in EI.

Similarly, for Entrepreneurial Education (EE), the F-Statistic (8.691, Sig. = 0.000) points to significant differences in EI means across different levels of EE. The greater variance between groups compared to within groups emphasizes the substantial impact of varying levels of EE on influencing individuals' entrepreneurial intentions.

CONCLUSION

These findings collectively suggest that both Entrepreneurial Orientation and Entrepreneurial Education are crucial determinants of individuals' intentions to engage in entrepreneurial activities. Policymakers, educators, and business leaders should recognize the significance of fostering a strong entrepreneurial orientation and providing effective entrepreneurial education programs. By doing so, they can positively influence individuals' intentions and motivations towards entrepreneurship.

The results of this study contribute valuable insights to the field, emphasizing the need for tailored interventions and educational strategies to nurture entrepreneurial mindsets and knowledge. Fostering a supportive environment that enhances both entrepreneurial orientation and education can be instrumental in cultivating a culture of innovation and entrepreneurship. Future initiatives should consider these factors to design effective interventions that encourage and empower individuals to pursue entrepreneurial ventures.

REFERENCES

1. Agrawal, H. (2017). Entrepreneurship an Aspect.
2. Aardt, I.V., Aardt, C.J., & Bezuidenhout, S. (2008). Entrepreneurship, creativity and innovation: entrepreneurship. *Management Today*, 24, 11-15.
3. Anjum, T., Ramzani, S.R., Farrukh, M., Raju, V., Nazar, N.A., & Shahzad, I.A. (2018). Entrepreneurial Intentions of Pakistani Students: The Role of Entrepreneurial

- Education, Creativity Disposition, Invention Passion & Passion for Founding. *Journal of Management Research*.
4. Basu, A. (2010). Comparing Entrepreneurial Intentions among Students: The Role of Education and Ethnic Origin. *The International Journal of Management*, 4.
 5. Fayolle, A., & Gailly, B. (2015). The impact of entrepreneurship education on entrepreneurial attitudes and intention: Hysteresis and persistence. *Journal of Small Business Management*, 53(1), 75–93.
 6. Fayolle, A., Liñán, F., & Moriano, J. A. (2016). Beyond entrepreneurial intentions: Values and motivations in entrepreneurship. *International Entrepreneurship and Management Journal*, 12(1), 183–192.
 7. Krueger, N. F., Reilly, M. D., & Carsrud, A. L. (2000). Competing models of entrepreneurial intentions. *Journal of Business Venturing*, 15(5-6), 411–432.
 8. Küttim, M., Kallaste, M., Venesaar, U., & Kiis, A. (2014). Entrepreneurship Education at University Level and Students' Entrepreneurial Intentions. *Procedia - Social and Behavioral Sciences*, 110, 658-668.
 9. Kuratko, D. F., & Audretsch, D. B. (2009). Entrepreneurship education: A global view. *The Routledge Companion to Entrepreneurship*, 1, 105–118.
 10. Liñán, F., & Fayolle, A. (2015). A systematic literature review on entrepreneurial intentions: citation, thematic analyses, and research agenda. *International Entrepreneurship and Management Journal*, 11(4), 907–933.
 11. Peterman, N. E., & Kennedy, J. (2003). Enterprise education: influencing students' perceptions of entrepreneurship. *Entrepreneurship Theory and Practice*, 28(2), 129–144.
 12. Pihie, Z.A., & Bagheri, A. (2009). Entrepreneurial intention of university students: An analysis of gender and ethnic groups. *The International Journal of Knowledge, Culture, and Change Management: Annual Review*, 9, 49-60.
 13. Pittaway, L., & Cope, J. (2007). Entrepreneurship education: A systematic review of the evidence. *International Small Business Journal*, 25(5), 479–510.
 14. Tripathi, M.A., Tripathi, R., Sharma, N., Singhal, S., Jindal, M., & Aarif, M. (2022). brief study on entrepreneurship and its classification. *International journal of health sciences*.
 15. Saiz-Alvarez, J.M. (2021). Entrepreneurship. *Encyclopedia of Organizational Knowledge, Administration, and Technology*.

16. Souitaris, V., Zerbinati, S., & Al-Laham, A. (2007). Do entrepreneurship programs raise entrepreneurial intention of science and engineering students? The effect of learning, inspiration, and resources. *Journal of Business Venturing*, 22(4), 566–591.