RELATIONSHIP BETWEEN ATTITUDES AND INTENTIONS FOR BUSINESS START-UP: A CASE OF OMANI UNIVERSITY & COLLEGE STUDENTS

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ABSTRACT

The study has intended to explore the relationship between attitudes and intentions for business start-up by considering a case of Oman. This study examined the effects of perception of students of Higher Education Institutions concerning selected factors on their entrepreneurial attitudes, which tested for its effect on their entrepreneurial intentions. A sample of 2529 student has been considered in the study from Oman by using cluster sampling technique. The perceptions of young people in Oman have been evaluated through the questionnaire. Descriptive statistics have been taken through the Statistical Package of Social Sciences (SPSS) of the responses obtained from the participants. Linear and Multiple regressions have also been applied to assess the impact of independent variables (Business opportunities, perception of barriers and perception of motives, personal entrepreneurial exposure, expected family support and culture) on dependent variable (Entrepreneurial attitudes). The results have suggested positive entrepreneurial attitudes of Higher Education Institution students in Oman. The results showed positive and strong relationship between attitudes and intentions. Therefore, creating positive attitudes of entrepreneurship among students will increase the probability of their intention to establish and launch a start-up.

Keywords: Business start-up, Entrepreneurial attitudes, Linear and Multiple regressions, Oman.

INTRODUCTION

Economic growth and employment opportunities are enhanced as a result of enterprise and entrepreneurship. Every country has entrepreneurs to a greater or lesser extent and is capable of starting and bearing the uncertainty of market dynamics (Teece, 2014). Entrepreneurship in different areas and industries open windows to young educated people including university students and graduates. However, old fashioned attitudes and limited contact with the finance providers are considered as the main barrier for access to credit and obtaining capital investment. As compared to the adults, young people have more potential towards entrepreneurial activity. The rate of life satisfaction is higher among self-employed people (Schoof, 2006).

Entrepreneurship is an essential factor of the national economy, which can increase and create opportunities of employment and improve economic development. Employees are the primary requirement for the need of an enterprise to grow and compete in the market; therefore, it would not be preferred by everyone to become self-employed. Some may definitely make a difference and contribute to provide the needed job opportunities. The students' entrepreneurial attitudes and intentions were investigated by Bakheet & Varghese (2013) in 5 Omani universities, which covered the areas of access to credit, fear of failure, risk and exposure. Observing the significance of young entrepreneurs and entrepreneurship to the nation's

economy, the study aimed to examine the Omani youth's perception regarding particular factors that impact the entrepreneurial attitudes, which influence the start-up intentions.

In order to enrich the entrepreneurial culture in Oman, many programs have been developed and promoted in the government as well as the private sector. At this stage, it is essential to understand how the country is developing and maintaining entrepreneurial culture and also to know whether entrepreneurial culture is developing suitable attitudes among the youth. It is also necessary and helpful for making some enterprise policies, which may assist in enhancing entrepreneurial activity in the country. If authorities have a clear picture about the perception and attitude of younger generations in Oman towards entrepreneurship, it will be feasible to promote and implement strategies accordingly. The study has provided appropriate and accurate understanding and assisted in expressing the correct policies to introduce and promote entrepreneurship culture in Oman.

Problem Statement

Entrepreneurship helps young individuals to overcome the issue of unemployment by developing their own career. It has been promoted on the basis of availability of private property rights, ease of doing business and competitive market system. The reasons for starting up a new business by individuals have been investigated by many researches. Moreover, research has been conducted to evaluate the characteristics required for the establishment of new business. However, it is important to investigate the attitudes of young individuals towards the establishment of new business.

Aim of the Study

The study has focused on the attitude of university students towards entrepreneurship in Oman. The study has also measured the perceptions of young individuals towards various business opportunities, the motives behind them and barriers that are being faced by them. The intention of starting a new business is a real desire, rather than a feeling, a wish or an interest. Therefore, the study has analysed the association between perception of business opportunities and attitudes in Oman among students towards entrepreneurship. The results have significantly shown the association between entrepreneurial attitude and perceptions of students regarding different business opportunities.

LITERATURE REVIEW

The origin of entrepreneurship and its contribution towards a country's economy has been explained by Amma & Fahad (2013). The importance of perceived behavioral control and attitude in predicting an individual's intention tends to vary across different behaviors and situations. Higher levels of utility in self-employment have been achieved by individuals who possess positive entrepreneurial attitudes and strong entrepreneurial abilities (Douglas & Shepherd, 2002). Individuals are likely to pursue an entrepreneurial endeavour if they possess strong positive attitude towards income and increased tolerance for managing risk (Fitzsimmons & Douglas, 2005). The perceived ability of students to manage money by becoming a leader defines their entrepreneurial self-efficacy. The factors that affect the goals in entrepreneurial activity include; full control of the future, utilization of own talents and achievement of personal values (Maalu et al., 2010).

A study by Segumpan & Zahari (2012) demonstrated the attitudes towards entrepreneurship of Omani college students enrolled in business school. The study attempted to examine the significant differences among the attitudes of the respondents, when divided with respect to gender, business exposure and family background. Results represented that the respondents have a positive intention and attitude towards entrepreneurship. Moreover, when the respondents were divided into groups according to demographic variables, there were no statistically significant differences. Kumar & Al Maqbali (2015) focused on the emergence of small and medium sized enterprises of Oman to examine the employment opportunities providers and the challenges associated with the field. Al Barwani et al. (2014) examined the dynamics and development of small and medium sized enterprises sector as crucial factors for the sustainability and development of an economy, more specifically the flexibility to achieve and adopt transforming economic dynamics.

A study by Ibrahim et al. (2017) assessed the implications of the graduate student's attitude in Oman concerning entrepreneurship. A multivariate regression model has been applied to examine the attitudes and recognize its related influencing factors. Structured questionnaire was used in the study with a sample size of 165 students. The outcomes reported that Omani graduates have positive attitude and intention towards entrepreneurship, however, the preference to start a personal business was comparatively low. The promotion of business knowledge and significance of entrepreneurship may significantly enhance the attitude of business among the students (Zhang et al., 2014). Higher education, government and business incubators hold positive and significant role in transforming the graduates' attitude towards entrepreneurship (Ibrahim et al., 2017). Planning of effective strategies for entrepreneurship may also bring positive intention and attitude among the students. Khan & Almoharby (2007) reported the significance of entrepreneurial activities for the upcoming development and growth of the economies of GCC countries. While, Panikar & Washington (2011) suggested that many students in Oman possess entrepreneurial characteristics and skills and the level of interest towards entrepreneurial activities are high.

METHODOLOGY

The study has conducted a sample survey among the students in Oman. 2529 students have been recruited using the technique of cluster sampling. The data has been collected through a questionnaire that has assisted in investigating the perceptions of young people and the influence of entrepreneurial attitudes and intentions of the students in Oman. Data mining for sample size purposes included the exclusion of religion, military and health colleges. Moreover, medical students were not considered in the study.

The study intended to assess the perceptions of students, concerning some independent variables that include barriers, motives, business opportunities, personal entrepreneurial exposure and culture and expected family support. These variables have been assessed to evaluate the impact on dependent variables, that is the attitudes of Omani students towards start-up businesses and also the impact of attitudes on intention. All the concepts have been measured by the specified dependent and independent variables, which have been outlined by the conduct of survey questionnaire, which was based on Likert scale. The demographic questions have also been included in the questionnaire to effectively assess the intentions and attitudes of Omani students towards entrepreneurship. After the data collection, statistical analysis has been performed to measure the descriptive statistics (mean, median, mode and standard deviation). The data has been analysed through multiple regressions using Statistical Package of Social

Sciences (SPSS). Regression Analysis has been applied to identify the impact of independent variables (Business opportunities, perception of barriers and perception of motives, personal entrepreneurial exposure, expected family support and culture) on dependent variable (Entrepreneurial attitudes). The level of significance considered for the analysis was 0.05 (α=0.05). Multiple regression analysis has been used to assess the relative importance of independent variables, students' perception of (business opportunities, barriers, motives, expected family support, personal entrepreneurial exposure and culture) in predicting the dependent variable (students' attitudes towards entrepreneurship) by using a direct comparison between regression coefficients.

RESULTS

Table 1 showed the demographic profile of the respondents, who participated in the survey. It is evident that majority of the students are Omani nationals. Female students were more than the male participants in the survey. The majority of the participants were single, within the age group of 21-25 years and their families belong to the middle-income group. The results showed that the majority of the participants came from families with no business ownership. Despite the fact that the majority of the students came from families without business ownership, 57% of them were seriously thinking of starting their own businesses. Overall, the sample was representative and distributed over gender, income, age, marital status, nationality, family businesses and their intention of establishing a start-up. The representation of private Higher Education Institution is slightly more than the public ones 51.7 and 48.3 respectively. All regions were represented respectively in the sample with high number for students in Muscat (Table 1).

Table 1
DEMOGRAPHIC PROFILE

Attributes	**%**	**Attributes**	**%**
Gender		**Nationality**	
Male	31.5	Omanis	95.7
Female	68.5	Non-Omanis	4.3
Age		**Marital status**	
(15-20)	23.7	Single	80.2
(21-25)	66.2	Married	16.4
(26-30)	5.6	Engaged	3.0
(31-35)	2.7	Divorced	0.3
(36 and above)	1.7	Missing	0.05
Missing	0.1		
Family income/month		**Family own business**	
less than 500	26.3	Yes	38.3
(500-1000)	45.3	No	61.4
(More than 1000)	27.9	Missing	0.3
Missing	0.5		
Seriously though to start-up		**Type of HEI**	
Yes	56.9	Public	48.3
No	42.5	Private	51.7
Missing	0.7		
Geographical Location of HEI			
Al-Rusatq	1.4	Muscat	54.7
Barka	1.3	Nizwa	5.6

Table 1 DEMOGRAPHIC PROFILE			
Al-Musana'a	2.3	Salalah	7.7
AL-Buraimi	5.0	Sohar	7.8
Ibra	6.1	Shinas	2.6
Ibri	3.2	Sur	2.4

Table 2
PERCEPTION ABOUT PERSONAL ENTREPRENEURIAL EXPOSURE

Statements	N	Mean	Median	Mode	σ
At least one of my family members is a business owner	2122	2.27	2.00	2.00	1.181
One of my friends is a business owner	2119	2.53	2.00	2.00	1.197
I know some people who have their own businesses	2118	2.12	2.00	2.00	1.035
It is easy to get the right advice, encouragement and insight from other people	2120	2.37	2.00	2.00	1.023
The entrepreneurs I know will help me overcome any fear of starting up	2121	2.45	2.00	2.00	0.990
The entrepreneurs I know will help me overcome my lack of experience	2119	2.44	2.00	2.00	0.999
The entrepreneurs I know will help me face any practical difficulties.	2122	2.46	2.00	2.00	0.988
I have access to entrepreneurship Blogs where I can get advice and interact	2121	2.64	3.00	2.00	1.629
I have access to entrepreneurship Websites where I can get knowledge	2122	2.31	2.00	2.00	1.083
I have contact with entrepreneur's networks where I can get technical support	2123	2.65	3.00	3.00	1.043
I am familiar with how to run a business	2117	2.53	2.00	2.00	1.061
Overall average of students' perception of personal entrepreneurial exposure	2099	2.43	2.50	2.60	0.649

Table 2 showed that the majority of students had at least one family member or friend as a business owner or they knew some individuals who have their own businesses. This exposure to entrepreneurs was found effective, as the majority of them argued that they could get the right advice, encouragement and inspiration from them. The participants also believed that the people they know can also assist them in overcoming the fear of starting-up a new business. The majority of students have accessed entrepreneurship blogs, websites, networks and they are familiar with the concept of how to run a business through their interaction with existing entrepreneurs. The standard deviations show that there is no variability among their responses (Table 2).

Table 3
INTENTION TO START A NEW BUSINESS

Statements	N	Mean	Median	Mode	σ
I will be free and independent if I start my own business	2123	2.07	2.00	1.00	1.084
I will get all the benefits of working hard	2121	2.16	2.00	2.00	0.971
If I start up a business I will achieve my self-realization	2119	2.19	2.00	2.00	1.017
I will study more in the area of entrepreneurship to help me to start-up	2122	2.22	2.00	2.00	1.027
I feel I am highly motivated to start my own business	2121	2.24	2.00	2.00	1.001
In starting up a business, I will utilize my own skills and talents to achieve my goals.	2122	2.25	2.00	2.00	1.008
When starting up a business; I will have full control of my future	2123	2.28	2.00	2.00	1.044
By starting-up I will contribute to the future growth and development of Oman	2123	2.17	2.00	2.00	1.058
Overall average of students' intentions to start-ups	2113	2.20	2.10	2.00	0.724

Table 3 indicated that if the participants start their own business they would become independent, achieve benefits from hard work and also achieve self-realization. The willingness of students has been observed to study more in the area of entrepreneurship, as they intended to establish a start-up. They also believed that they will utilize their talents and skills to fully control their future. By starting-up, they will contribute to the development and future growth of Oman.

Regression Analysis

Table 4
STUDENTS' PERCEPTION OF MOTIVES AND THEIR ATTITUDES TOWARDS ENTREPRENEURSHIP

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.579a	0.335	0.335	0.58098

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	353.563	1	353.563	1047.479	0.000b
	Residual	702.076	2080	0.338		
	Total	1055.639	2081			

a. Dependent Variable: Entrepreneurial Attitudes

b. Predictors: (Constant), Perception of Motives

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	0.722	0.049		14.688	0.000
	Perception of Motives	0.633	0.020	0.579	32.365	0.000

a. Dependent Variable: Entrepreneurial Attitudes

Table 4 indicated the regression model of the students' entrepreneurial attitudes and its relationship with their beliefs about motives for entrepreneurship. The regression analysis showed that the student's perception of motives has a strong impact on the entrepreneurial attitudes. The ANOVA indicated that the model is highly significant (very strong) at the level of (0.000).

Table 5
RELATIONSHIP BETWEEN STUDENTS' ATTITUDES TOWARDS ENTREPRENEURSHIP AND THEIR INTENTION TO START-UP BUSINESSES

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.740a	0.548	0.548	0.48663

a. Predictors: (Constant), Entrepreneurial Attitudes

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	604.027	1	604.027	2550.694	0.000b
	Residual	498.483	2105	0.237		
	Total	1102.510	2106			

Table 5
RELATIONSHIP BETWEEN STUDENTS' ATTITUDES TOWARDS ENTREPRENEURSHIP AND THEIR INTENTION TO START-UP BUSINESSES

a. Dependent Variable: Intention to Start Business

b. Predictors: (Constant), Entrepreneurial Attitudes

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.498	0.035		14.131	0.000
	Entrepreneurial Attitudes	0.751	0.015	0.740	50.504	0.000

a. Dependent Variable: Intention to Start Business

In the research model, students' attitudes towards entrepreneurship was the independent variable for students' intention to start-up their businesses (Table 5). In this respect, ANOVA shows that the regression model is highly significant at the level of (0.000). This assesses the statistical significance of the overall regression model of students' intention and their entrepreneurial attitudes. The regression analysis also showed the statistically significant impact of entrepreneurial attitudes on the intention to start business (p-value=0.000<0.05).

Multiple Regression Analysis

Table 6
MULTIPLE REGRESSION OF (BUSINESS OPPORTUNITIES, BARRIERS, MOTIVES, EXPECTED FAMILY SUPPORT, PERSONAL ENTREPRENEURIAL EXPOSURE AND CULTURE) WITH (ENTREPRENEURIAL ATTITUDES)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.684a	0.468	0.467	0.51797

a. Predictors: (Constant), Culture, Expected Family Support, Business Opportunities, Perception of Motives, Personal Entrepreneurial Exposure, Perception of Barriers

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	461.426	6	76.904	286.644	0.000b
	Residual	524.243	1954	0.268		
	Total	985.668	1960			

a. Dependent Variable: Entrepreneurial Attitudes

b. Predictors: (Constant), Culture, Expected Family Support, Business Opportunities, Perception of Motives, Personal Entrepreneurial Exposure, Perception of Barriers

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.099	0.059		1.673	0.094
	Business Opportunities	0.109	0.034	0.082	3.195	0.001
	Perception of Barriers	0.026	0.033	0.021	0.767	0.443
	Perception of Motives	0.257	0.026	0.236	9.895	0.000
	Personal Entrepreneurial Exposure	0.088	0.027	0.081	3.295	0.001
	Expected Family Support	0.205	0.020	0.217	10.339	0.000
	Culture	0.219	0.024	0.211	9.147	0.000

a. Dependent Variable: Entrepreneurial Attitudes

Table 6 represented that independent variables (Business opportunities, perception of barriers, perception of motives, personal entrepreneurial exposure, expected family support and culture), were significant predictors of students' attitudes towards entrepreneurship. Multiple regression analysis showed that except the perception of barriers, all the independent variables have significant impact on the entrepreneurial attitudes. The results showed that business opportunities, perception of motives, personal entrepreneurial exposure, expected family support and culture are significant (0.001, 0.000, 0.001, 0.000 and 0.000) respectively. This shows that the p-values obtained through the analysis are less than the level of significance.

DISCUSSION

The results have explored that the attitudes of students towards entrepreneurship is greatly influenced by the perception of business barriers, motives, expected family support and culture. The study also assisted in providing essential data about young people of Oman and recognized their perception in starting their personal entrepreneurial venture. Finally, the results assisted in identifying the relationship between attitude (as an independent variable) and intention (as a dependent variable).

More innovations and research development are required in the field of entrepreneurship as it is effective to promote economic development through enhanced opportunities of entrepreneurship in Oman. Local entrepreneurship must be enhanced to promote corporate innovation and improve the local private sector. Therefore, the government and private organizations must influence the student's attitudes towards entrepreneurship and assist them to start-up their personal businesses. Enterprise training opportunities must be promoted by the universities and other educational sectors to influence the attitudes of students positively. The present study has effectively contributed to provide a clear picture about numerous factors that impact the entrepreneurial attitudes, which may also enhance the intentions of Omani students to start their own business.

The higher educational institutions and universities play a vital role in offering technical assistance, education and training concerned with entrepreneurship activities to the present potential entrepreneurs (Davey et al., 2016). A study conducted by Belwal et al. (2015) investigated the perceptions of students and the role of universities in emerging enterprise teaching in Oman targeting the case of Sohar University. The outcomes revealed that the university students were interested in starting their own business. Furthermore, majority of them were optimistic about starting a new business on their own, but lack of knowledge was observed among them. Positive willingness was observed towards starting their own business, but they essentially required knowledge about the resources and the different ways to start a new personal business. The major barriers in starting a personal business were the fear of failure and dealing with challenging obstacles. Above all, the study reported a requirement of enterprise education to nurture the students and assist them to continue their efforts towards entrepreneurship in Oman. These results were observed comparable with the outcomes of the present study. Belwal et al. (2015) also reported that there is a gap in literature regarding university students' attitude towards entrepreneurship and enterprise education in Oman; so, the present study has been found effectual in overcoming the gap in literature by recruiting a larger sample size from different areas of Oman.

A study by Amma & Fahad (2013) examined the role of entrepreneurial education and spirit in creating an attitude about working as an entrepreneur along with the intention to begin a new business among the students. It has been suggested that the perception based on

achievements, needs and self-confidence has a strong and positive influence on the career selection in entrepreneurship. The perceptions of the students can effectively predict the students' behavior in career selection. A transformation in the education system is much needed to promote education on enterprise and entrepreneurship and broaden the scope of career selection among the graduates.

CONCLUSION

The present study is an initial attempt to examine the entrepreneurial attitudes and intentions of Omani youth with special emphasis on university and college students with the larger sample size to more specifically emphasize the perceptions of students. The study has taken the influencing factors as students' perception of business opportunities; barriers; motives; personal entrepreneurial exposure; expected family support and culture, which were identified as influencing their attitudes and eventually influencing their intentions. Oman needs innovation and research development in the area of entrepreneurship as economic development can be promoted through increased entrepreneurship, especially among young people. Presently, the society of Oman is influenced by a high toll of unemployment. The outcomes may assist the researchers and policy makers in examining the effectiveness of enterprise teachings. Future studies may consider higher sample size of male and female population to assess more detailed and comprehensive aspects appropriately. Additionally, this study has identified the areas for future research as it covers a limited list of factors that influence students' entrepreneurial attitudes.

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