

**FACTORS INHIBITING THE SUCCESS OF ENTREPRENEURIAL  
INTENTIONS ON LAUNCHING A BUSINESS: A CASE OF UNITED STATES  
INTERNATIONAL UNIVERSITY -AFRICA STUDENTS**

**BY**

**JACQUELINE MWIHAKI NJUGUNA**

**UNITED STATES INTERNATIONAL UNIVERSITY – AFRICA**

**SUMMER 2019**

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Partial Fulfillment of The Requirement for the Degree of Master's In Business  
Administration (MBA)**

**UNITED STATES INTERNATIONAL UNIVERSITY – AFRICA**

**SUMMER 2019**

## **STUDENT'S DECLARATION**

This research project report is my original work and has not been presented for the award of a degree in this or any other university.

**Signed:** \_\_\_\_\_

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This research project report has been submitted for examination with the approval of the University supervisor.

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**Date:** \_\_\_\_\_

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**Date:** \_\_\_\_\_

**Dean, Chandaria School of Business**

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## ABSTRACT

Entrepreneurship among youth across the world assists in job creation and self-reliance. On the same vein, there are factors that hinder their entrepreneurial intentions in establishing their goals. Compelling youth entrepreneurship development training is described by responsibility, adaptability, good local contacts and an important but intangible element of inspiration. This study investigated the on the factors inhibiting the success of entrepreneurial intentions to launch business. A case study of youth SME groups in an entrepreneurship class in United States International University - Africa. The study was guided by the following objectives: to determine how propensity to risk impacts entrepreneurial intentions to launch business, to determine how locus of control impact entrepreneurial intentions to launch business, to determine how proactive personality impact entrepreneurial intentions to launch business. The study utilized descriptive survey design.

The study targets the entrepreneurship class of 50 students in United States International University - Africa. A total of 50 were sampled through simple random sampling method. Data was collected using questionnaires. The data analyzed for descriptive data frequencies and percentages. SPSS was used to analyze data through determining the correlation and regression analysis of the variables. Analyzed data was presented using figure and tables. The study result of the coefficient of the variables indicated that there were constants of 8.211, 2.342, 2.434 for proactive personality, locus of control and propensity to risk respectively which means that despite the presences of other factors the entrepreneurs agree they will launch their businesses. The study multiple regression model resulted into 0.355 (propensity to take risk), 0.429 (locus of control) and 1.152 (proactive personality). Where entrepreneurial intention is the constant

Different researchers indicated that those who do not perform would possibly lack enough human capital. Human capital includes (a) training (b) formal training, (c) work experience, (d) parental basis, (e) capabilities and capabilities, and (f) knowledge determined the higher an individual's level of the education, the higher the opportunity that the individual will start a business. The have a look at findings indicated that the fine dating between entrepreneurial intentions and the scope of start-up activities changed into stronger for scholar entrepreneurs with family entrepreneurial heritage than for scholar entrepreneurs without this kind of historical past.

The study concluded that the dependent variable, entrepreneurial intentions have significant relationship with all other factors. The propensity to take risk has a positive relationship of 0.355 to entrepreneurial intention thus implying that it increases the results to the increase in levels and chances of entrepreneur at the United States International University-Africa in launching their intentions. The researcher also found that positive relationship exists between the entrepreneurial intentions and the locus of control with a coefficient of 0.429. The results also indicate that there is significant relationship that exists between the entrepreneurial intentions to launch timelines and the proactive personality of the entrepreneurs with a coefficient of 1.152 thus; it results in a great increase in the entrepreneurial intentions of the United States International University-Africa.

The study recommended that Entrepreneurs should find opportunities to utilize the use of technology which can intensify the commercial opportunities. This might also increase the rate of creativity which can eventually assist in increasing propensity to take risk. Through education and training the entrepreneurs should be able to incase their abilities and skills in developing their entrepreneurial skills based on their capacity in handling propensity to take risk. The study also recommends that organizations can also assist their employees enhance and apprehend how their locus of manipulate might also shape their perceptions of organizational practices.

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## **DEDICATION**

This project is dedicated to my parents who have continuously walked with me through my education journey. My husband who has been quite supportive during this period. My supervisor, who has challenged and provided positive criticism throughout this process and gotten me this far. Most importantly God almighty for walking with me every day of this journey.



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## **ABBREVIATIONS AND ACRONYMS**

ICT- Information Communication and Technology

ILO International Labor Office

USIU United states international university

NYDA National Youth Development Agency

TEA Total early-stage Entrepreneurial Activity

# CHAPTER ONE

## 1.0 INTRODUCTION

### 1.1 Background of the Study

The term “entrepreneurship” has historically referred to the efforts of a person who takes risks in inventing a successful enterprise. Recently, entrepreneurship has been conceptualized as a method which can appear in businesses of all types and sizes (Burns, 2016). Decisions of innovativeness are innately communal, relying heavily on character’s information inside a domain. In business it is important to have a right, treasured and remarkable notion before it is able to be accepted as innovative. It have to by some means have an effect on the manner business gets carried out as an example by improving a product or by commencing a brand new way to technique a manner (Volery, Mueller & von Siemens, 2015).

In Australia, small enterprise assistance programs, regardless of whether aimed at start-ups or existing enterprises, can just achieve an exceptionally modest number of the absolute youth populace (Felzensztein *et al.*, 2015). The demand always exceeds supply, and it is important to choose cautiously those to profit by them. Compelling youth entrepreneurship development training is described by responsibility, adaptability, good local contacts and an important but intangible element of inspiration (Bhachu, 2017). These attributes of the development training programs are bound to be found in a private or voluntary organization than in a government institution commanded to execute the equivalent. Many of the most successful programs are run by voluntary agencies. Subsequently, anybody proposing to run, or fund enterprise development must first select an appropriate institution to carry out the task.

Other than financial assistance, the idea of a small and medium enterprise launching originated to explain the liabilities of new enterprise. This legal responsibility or risk appears to derive from elements each internal and outside to the organization. The inner variables consist of the prices of learning new tasks, the quality of contentions with recognize to new authoritative jobs, the need to discover the least expensive and practicable ways of running, and the absence of causal hierarchical systems (Julien, 2018). The outside variable contains special kinds of limitations to access, as an example

constructed up corporations' recognition of the brand and marketplace acknowledgement, sick-conceived acts by way of competitors, authorizing and experiential and regulatory stumbling blocks relying on the degree of environmental uncertainty. These obligations are obstructions to the established order and sustainability of latest organizations.

Thus, the duty of entrepreneurial newness pertains to the behavior that the management crew and their subordinates must go through to triumph over the principal issues of coping to the outside and internal environments of recent companies (Giaoutzi, Storey & Nijkamp, 2016). Often, however, those liabilities of newness are so huge that the brand new small and medium business enterprise fails notwithstanding attempts to conform to the environment. In this revel in, the launching of an agency idea refers to the immaturity of an organization. Consistent with the above communicate, the structural inertia thesis proposes that new companies lack a few useful attributes that may be decided in installed commercial business enterprise (even though the ones are not always vintage businesses), including cognitive legitimacy, reliability, and duty. Cognitive legitimacy captures troubles external to the employer and reliability and obligation seize problems inner to the corporation.

In the USA, the 21st century started with a progression of various hazards and ways of managing them. After close to ten years of economic backdrops, the United States economy started to develop again in 2009 (World Bank, 2018). Government policymakers and institutional leaders across the world proclaimed the small business sector as a significant force leading to the growth of economy and its recovery. Small scale businesses are essential for a growing economy, and their success is important, but the number of registrations of small enterprises was noted to be declining. In the United States, 75% of private ventures are independently employed youths.

The minor business segment represents 99.7% of all enterprises in America. This also accounts for 60% of job creation. In almost 500,000 startup businesses are set up every annually but, less than half have a sustainability of five years or more (Burns, 2016). This panics away businesspeople who might or were prepared to launch their new business. Information concerning success factors for entrepreneurs in launching assists policymakers and management teams to alleviate the failure of small businesses. The



financial planning industry isn't always immune to monetary declines. Patterns in the amount of budgetary organizers within the United States have pursued the country wide monetary styles. The amount of expert budgetary organizers leveled off amid the economic emergency of 2008-2009 however commenced to upward push again in 2010.

In United Kingdom youths initiate enterprises for many reasons, but a common belief is that that entrepreneurs' essential inspiration is the longing for monetary prizes (Cowling *et al.*, 2015). Notwithstanding the high level of disappointments of propelling new business, endeavors indicate that incomes from self-employment are volatile and unsustainable. Studies concerning the inspiration of business visionaries demonstrate an expansive number of remunerations foreseen. However practically all businesspeople show a high level of independence. Independent work may fulfill this need, yet it might require a tradeoff among self-rule and money related prizes. To investigate this theme, Croson & Minniti (2012) made model partner business visionaries' requirements for mystic prizes with monetary prizes.

Their outcomes demonstrated that independently employed people got higher fulfillment from work than hierarchical representatives experienced. Self-employment may fulfill this requirement, but it may require a tradeoff between monetary reward and autonomy. Shockingly, their discoveries additionally showed independently employed people were notwithstanding eager to acknowledge lower pay in return for the advantages foreseen. Other researchers experienced similar results found that in addition to autonomy, flexibility and job satisfaction were fundamental ways of compensating entrepreneurs. These investigations add to our getting that while businesspeople frequently share basic characteristics in launching new businesses, singular inspirations are intricate and wealth collection may not be the most critical factor.

In Nigeria numerous people explicit a desire for entrepreneurship but few are successful. Ogunyomi & Bruning (2016) posited that the sources for failure to launch a new business had been possible due to lack of required practice and skills. Menkiti & Ward (2016) asserted that folks who fail would possibly lack enough human capital. Human capital includes (a) formal schooling, (b) training, (c) work experience, (d) parental foundation, (e) competencies and abilities, and (f) knowledge based on character's level of the education, which will determine the opportunity that the individual will have to be able

begin a successful commercial enterprise. In addition to initiating an enterprise, studies have suggested that there is a strong positive relationship between human capital successes of an enterprise. According to, Ogunyomi & Bruning (2016) they concluded that the outcomes of human capital investment such abilities and knowledge are enough to determine success, in comparison to training and experience which do not always reflect on knowledge.

In Tanzania, alongside these equivalent lines measured the impacts of mental capacities and non-cognitive capacities on wages of people that had been contrasted with salaried workers. Intellectual capacities protected (a) verbal, (b) medical, (c) specialized, and (d) managerial capacities and had been better in commercial enterprise, while non-subjective capacities were better in workers (Ishengoma, 2018). The investigations show that income ranges in the enterprise were higher than in work, however just for the extra elite class, for the normal individual, progressive earnings degrees had been lower.

Another study examined the consequences of education on profits returns for entrepreneurs in place of workers. The study discovered there have been on average between 2% and 13% annually of higher returns of formal schooling for employees compared to entrepreneurs. They cautioned that entrepreneurs confronted fewer organizational constraints, thus allowing them to use their formal education better and more productively. The implication is for organizational leaders to discover approaches to appreciate people to exercise extra manage over their abilities and use their education to price create value for the given organization.

In Kenya, some studies have investigated the impact of education on an overall perspective. Others have considered the impact of entrepreneurial education (Shibia & Barako, 2017). Numerous policymakers advance entrepreneurial education, expecting that people can learn business enterprise aptitudes regardless of identity attribute. in any case, research about the relationship between education and a successful entrepreneurship dynamic system, e cooperation with family, friends, teachers, and experience with co-workers had been critical elements in entrepreneurial success. Members' training to embark on a successful business venture may additionally provide treasured statistics to others who are thinking about starting their own companies. Shibia & Barako (2017)

performed out an examination to investigate the impacts of required progressive guidance on understudies in an expert faculty.

The impact of the program on understudies' self-surveyed pioneering aptitudes was unimportant. However the consequences for under studies expectations to turn into a business visionary were inherently negative (Julien, 2018). Be that as it may, it was discovered that business enterprise training was significant to decide more plainly whether understudies were fit to business. Preparing may not increment enterprising capacity but rather may help limit disappointment of the individuals who are dubious about their capacity. It contended that gaining the information to sort out and run a beneficial endeavor is a deep-rooted procedure and relies upon compelling propensities and heuristics.

## **1.2 Statement of the Problem**

The Government of Kenya (GOK), realizing the need to invest in youth empowerment, created the Department of youth development in 2007 (Sikenyi, 2017). The Department promotes the holistic development of youth to make them self-independent, increase their productivity and fully involve themselves in the social development projects. The government officially launched the national youth development fund in the same year. It was established to decrease the high rate of youth unemployment which was characterized by active youth entrepreneurship development.

The training was characterized by flexibility, commitment, good local contacts and an essential but intangible element of inspiration. Despite these potential benefits, most of the youth continue to look up to the State for employment rather than creating their jobs. In Kenya, the business environment is usually hostile and tends to scare away the youth from venturing into business. On the other hand, young people do not display seriousness and in they end up losing hope when progress of running the enterprises is stagnant, while for others, due to conflict of interest there is less commitment (Nyerere, 2018).

Previous research on starting up new business ventures have not focused on factors inhibiting the success of entrepreneurial intentions in launching the startup youth enterprises in Kenya with an emphasis on risk and organization commitment, for

example. Murimi (2014), researched on an investigation into the issues influencing the prosperity of startup of youth businesses in Nairobi Kenya. The study found that business skills and finance are one of the significant factors influencing the startup youth enterprise.

The success of these startups is affected by domestic responsibilities, loan diversion to other uses, low demand, competition, government regulation, lack of relevant business training, unrealistic loan repayments and amounts, insecurity, high transportation cost, inadequate working capital and market information. Thus, there exists a gap in knowledge on the factors which inhibit the success of entrepreneurs from launching business focusing on startup youth enterprises in Kenya. This research, therefore, was meant to fill this gap by determining the factors inhibiting the success of youth's entrepreneurial intentions in launching a business in Kenya.

A case study focused on entrepreneurship class in United States International University - Africa, by trying to answer the following questions. To what extent did risk propensity to risk, locus of control, and proactive personality, successful influence launching of youth enterprises. The study focused on Entrepreneurship class in United States International University - Africa since it has a lot of youth who represent a variety of youth's entrepreneurs in Kenya.

### **1.3 Purpose of the Study**

This research therefore sought to fill this gap by determining the factors inhibiting the success of entrepreneurial intentions on launching businesses. A case study of entrepreneurship class of 2019 in United States International University - Africa is the focus.

### **1.4 Research Questions**

**1.4.1** What extent does propensity to take risk relate to entrepreneur intentions to launch timelines for youth small and medium enterprises in entrepreneurship classes in the United States International University - Africa?

**1.4.2** How does the locus of control relate to entrepreneur intentions in launching business for youth small and medium enterprises in entrepreneurship classes in the United States International University - Africa?

**1.4.3** What extent does proactive personality relate to entrepreneur intentions in launching business for youth small and medium enterprises in entrepreneurship classes in United States International University - Africa?

## **1.5 Significance of the Study**

### **1.5.1 Researchers and Academicians**

The study includes more information to the body of knowledge on factors influencing entrepreneurship among university students. The study also provides a background upon which further studies can be done researching on factors influencing entrepreneurship focusing on university students

### **1.5.2 Entrepreneurship Students**

The research findings will be advantageous to students who are aspiring to entrepreneurs as it indicates the factors influencing entrepreneurship intentions among college and university students and how they can be enhanced to improve business development and their growth. The study also adds information on entrepreneurship theory and on how various factors influence the entrepreneurial attitude. The study also outlines the most fundamental factors affecting entrepreneurial development and indicates their relationship with entrepreneurship.

### **1.5.3 National and County Government**

The study gives access to data on how some of the government policies and factors that impact entrepreneurship intentions in Kenya in relation to the national and county governments. Also, the study findings can be used to create policies and rules to enhance entrepreneurial abilities, government policies, credit and market access of the as well as other factors that influence business development across the country.

#### **1.5.4 Future Scholars**

The study is expected to yield vital information that may act as literature review for the future researchers who may use it in their research to write academic papers and even books on youth program implementation. The study findings may also contribute to the knowledge level on youth program implementation and this may be used by the general public to understand the influence of youth program on small and medium enterprises especially those owned by youth and what inhibits them to launch new enterprises as entrepreneurs.

#### **1.6 Scope of the Study**

The study was conducted in an entrepreneurship class in the United States International University-Africa, in Nairobi Kenya. The researcher will consider the opinion of 50 entrepreneurship MBA student's class of summer 2019. The analysis will begin in June 2019 up until August 2019 a total of three months. Data collection process was conducted by use of questionnaires using descriptive methodology from the above identified respondents. The study focused on factors inhibiting the success of entrepreneurial intentions on launching a business.

#### **1.7 Definition of Terms**

##### **1.7.1 An Enterprise**

An enterprise is a business that is established, and its role is to provide goods and services, contributes to national income, creates jobs, exports and eventually contributes to the overall national economic growth (Bhachu, 2017).

##### **1.7.2 An Entrepreneur**

This is an individual who risks in investing in buying and selling a product for uncertain price, therefore end up in making decisions about obtaining and using the resources while consequently being ready for the risk of that might arise (Bhachu, 2017).

##### **1.7.3 Competency**

This is the level of training an entrepreneur education that an individual or group receives related to how to manage an entrepreneurial venture. This means that when an

entrepreneur learns the skills of managing a business and how to take risks with caution, he or she is considered competent in business. (Burns, 2016).

#### **1.7.4 Entrepreneurship**

It is defined as an organized and planned innovation process, which is directed towards an organized research for economic changes, and it is the planned analysis of the business opportunities which are geared towards job creation, economic and social innovation (Julien, 2018).

#### **1.7.5 Entrepreneurial Intentions**

These are projections of an individual to initiate an entrepreneurial process and refer to an individual's fulltime involvement in his own occupation based on the personal and external environment. (Bhachu, 2017).

#### **1.7.6 Locus of Control**

This is defined as the level of personal belief in one's capability to shape his or her business. It is considered essential for a company to run and still make a profit. When an entrepreneur has a locus of control, he/she gains the intrinsic motivation to venture into a new business (World Bank, 2018).

#### **1.7.7 Start-Ups**

This refers to a beginner's enterprise that is new in the market. It is characterized by an early stage of entrepreneurial cycle which moves from the idea generation stage to financial security which assists in laying down strategies to operate and create an economic and social change (World Bank, 2018).

#### **1.7.8 Propensity to Risk**

It is defined as the level of risk that entrepreneurs are willing to take. Its constraints are not well defined because it can be a personal, economic and social factor. Every entrepreneur can tolerate different levels of risk (World Bank, 2018).

## **1.8 Chapter Summary**

The chapter discusses the background study of factors inhibiting the success of entrepreneurs from launching business with emphasis on risk and organization commitment in relation to young entrepreneurs in small and medium enterprises across the globe, regionally, nationally and locally. The second chapter discusses literature review. In this chapter, the study embarked on studying the research objectives with respect to past studies on the same topics in different areas across the world. Some of the areas covered include, concept of entrepreneurial intention on the business launch, propensity to risk, locus of control and proactive personality.

The third chapter, methodology, adopted descriptive survey research design and its findings were used to generalize the factors inhibiting the success of entrepreneurial intentions on launching business. The fourth chapter, data analysis and presentation, was done through SPSS version 20. This chapter presents the findings and interpretations of the results based on the objective, which was to determine the factors inhibiting the success of entrepreneurial intention on launching a business. The fifth chapter presents a summary of the findings, conclusions and recommendations for practice and further research on the problem. Some of the suggestions of further research are factors affecting business startups among university students who are entrepreneurs in USIU.



## CHAPTER TWO

### 2.0 LITERATURE REVIEW

#### 2.1 Introduction

This chapter covers several sections that examine the concept of entrepreneurial launch of small and medium enterprises, propensity to take risk, locus of control, proactive personality, and theoretical literature on concepts, theories and empirical studies hitherto conducted in respect of entrepreneurs with their intentions to launch businesses. The chapter further outlines the theoretical and conceptual framework.

#### 2.1.1 Theoretical Review

##### 2.1.1.1 Theory of Planned Behaviour

Theory of planned behavior (TPB) predicts and explains behavior in unique contexts and is a regularly used principle in one of kind disciplines. This is true for entrepreneurship research since to be an entrepreneur is a deliberate activity and intention is agreed upon an intellectual state. Furthermore, it is agreed that entrepreneurial choice is a complex one and needs personal decisional cognitive process. As a result, as instead of character developments or demographic studies, cognition consists of more and fundamental information concerning the entrepreneurial conduct, since that it's a close antecedent for behavior (Davis *et al.*, 2016). The outcomes of the previous work also advised that theory of planned behavior is a relevant principle for entrepreneurial studies. Therefore, goal-oriented researches in the entrepreneurship literature are gaining reputation.

For exceptional entrepreneurial behaviors contexts, the descriptive power of intention regarding behavior is increased. It is argued that organized entrepreneurship is taken to be an intentionally planned attitude, and this is true for even entrepreneurship motivated by necessity. This concludes that researching the entrepreneurial decision-making process for entrepreneurial behavior via the theory of planned behavior (TPB) is statistically proven (Rauch & Hulsink, 2015). There are two acknowledged perceptions for entrepreneurs which are intuitive and rational and the main assumption for Ajzen's intention-behavior relation is human conduct is rational. Intention means how much effort a given conduct is tended to be tried plus how plenty attempt is made for this behavior

and the stronger the cause the opportunity of the conduct to be realized is increase. Intention provides a link between the beliefs of an individual and similar behavior. It is typical for entrepreneurial context, even though the new venture startup process may evolve suddenly due to an opportunity realization

According to TPB, there are two major sources of intention: desirability (motivation to act for the intended behavior) and feasibility of the given behavior (Davis *et al.*, 2016). To be more precise, perceived behavioral control (PBC) stands for feasibility, subjective norms and personal attitude towards entrepreneurial behavior together define the desirability part of the entrepreneurial intention.

## **2.2 Propensity to Take Risk**

### **2.2.1 Risks to Entrepreneur Intentions**

Entrepreneurs assume to be involved in a business venture because of distinctive mixtures of start-up urge to own a business. Overall, a difference is created among positive elements that 'pull' and negative elements that 'push' individuals into starting their new business (Bouncken, 2016). For instance, pull motivations consist of the need for success, the urge to be their own boss, and possibilities for economic improvement. Push motivations may arise from lack of job and income and family stress based on job dissatisfaction

Entrepreneurial intentions play a crucial function in college students' entrepreneurial activity (Shirokova, Osiyevskyy & Bogatyreva, 2016). However, the impact of reason on the scope of startup activities can be contingent on students' history and the environment in which they operate. Hence, it focusses on college students' age, gender, circle of relatives' entrepreneurial history, university entrepreneurial surroundings, and the general stage of societal uncertainty avoidance.

This results in positing that these peculiarities moderate the relationship between entrepreneurial intentions and intensity of actual actions. The study findings indicated that the positive relationship between entrepreneurial intentions. The scope of start-up activities was stronger for student entrepreneurs with a family entrepreneurial background than for student entrepreneurs without such an environment. The positive relationship

between entrepreneurial intentions and scope of start-up activities was stronger for male student entrepreneurs than for female student entrepreneurs.

In the current period, there exists a strong demand that forces entrepreneurs to bring new thoughts, services and products to the marketplace. If the entrepreneur does no longer improve his product, the product will become unattractive, which may additionally ultimately result in the closure of his company, that isn't a purpose of any entrepreneur (Shibia & Barako, 2017). The worldwide economic system creates extra risks for anyone, but additionally offers opportunities, forcing organizations to dramatic upgrades not most effective to resist the competition and thrive, however, to live to tell the tale (Burns, 2016). This stress determines the propensity to take a threat for brand new marketers inside the market in venturing into new products income.

In a study done in Danish youths start up from university college students, risks attitudes affect the entire lifestyles cycle of marketers (Fietze & Boyd, 2017). Whereas current studies underpin the theoretical proposition of a tremendous correlation amongst dangers attitudes and the selection to end up self-hired, the outcomes on survival aren't as honest. Psychological studies posit an inverse U-formed relationship amongst danger attitudes and entrepreneurial survival. Based on experimentally tested records of the German Socio-Economic Panel (SOEP), we observe the volume to which chance attitudes have an effect on survival costs in self-employment in Germany. The empirical consequences verify that human beings whose chance attitudes are in the medium range live to tell the tale appreciably longer as marketers than do humans with in particular low or excessive-risk attitudes.

According to a study done in USA, Hnilica & Fotr (2009) commercial enterprise hazard may be perceived as the possibility that the values of the actual enterprise effects will fluctuate from expected values. Even as those deviations can be applicable (agency achieves better earnings than deliberate) or not perfect (corporation suffers loss as an alternative deliberate earnings), wherein the significance of the variation can be variable. The authors specify such forms of risk as manufacturing, monetary, marketplace, economic, credit score, legislative, political, environmental, employees, information dangers and pressure majeure. Entrepreneurial hazard has a complex shape, since it consists of a number of interconnected partial risks. Fetisovová *et al.* (2012) defines such sorts of business as a strategic chance, socio-political hazard and reputational threat.

The perception of the distinct authors at the definition of economic chance range to some extent. For example, Fetisovová *et al.* (2012) states that monetary dangers are related to the economic markets' improvement and the use of single economic gadgets have a complex nature. This may be labeled into the subsequent organizations: funding threat, credit score score danger, and liquidity hazard, the chance of interest price modifications, forex chance, inflation threat and counterparty default threat. Napp (2011) said that there exist numerous taken into consideration one in every of kind varieties of monetary dangers.

Recent empirical observe backs the theoretical proposition of a advantageous correlation among bad perceptions and the selection to become an entrepreneur. Various research similarly suggests that the populace of self-hired people tends to be much less dangers averse than other humans, which include the employed (Jonker, 2015). These observations addressed the danger attitudes which represent a defining function of entrepreneurial staying power in which economic studies focuses most effective on the troubles.

Economic analysis performed in Egypt concentrates entirely at the questions of whether or not and why entrepreneurs may additionally want to be a whole lot much less threat-averse than other humans, which consist of employees (Kihlstrom & Laffont, 2016). To the first-rate of our facts, the query of the extent to which character danger attitudes might in all likelihood have an effect on survival costs of marketers has no longer been explored in monetary literature

Moreover, insufficient empirical studies connected extraordinary reactions to the patience fees of entrepreneurs. In study done on the connection among personality attribute and industrial employer achievement, Rauch & Frese (2017) indicate that the impact of risk-taking over business startup success is as a substitute small. This individual does no longer usually amplify the success opportunity. However, the inverse U-formed dating has no longer been tested to this point. A feasible cause for this lack of empirical studies is that dependable demographic statistics about person danger attitudes were lacking.

### **2.2.2 Competency Level Leading to Risk**

Entrepreneurial competency is suitable in relation to establishing entrepreneurial outcomes and intentions. It has been argued that low competency, could be insufficient, since it does not capture personal' perception of their skills to positively enforce a variety of tasks across a various situations (Shibia, 2016). This might even affect their rate of propensity to take risk in an entrepreneurial intention. Indeed, entrepreneurial intentions involve a broad range of roles, tasks, activities and competences which may significantly vary across the different situations; therefore, level of competency measure is considered to apply more simply to entrepreneurship studies.

The competency level and abilities related to the entrepreneurial opportunity affect the propensity to take a risk. This description of entrepreneurs' tendency to take threat may additionally lie inside the differentiation among two styles of unstable conditions, particularly, between in change related and talent-related hazard (Shibia & Barako, 2017). The distinction between the two forms of risks is the volume to which the decision-maker can manipulate the final results. For instance, in some cases which are not statistically approved, there may be no control, and the final result relies upon on open luck. On the opposite, the result in opposition depends on each success and the talent of the decision-maker. Various studies indicated that persons are more likely to take the hazard when the results of the business rely on their skills rather than on luck.

According to a study performed in Australia, regarding MBA students in the country shows that the rapid improvement of market-intent financial system, the SMEs extra intensively faces aggressive marketplace opposition because of low competency degrees (Lee-Ross, 2017). The study cannot avoid the fact that financial threat exists everywhere and has a impact at the employer's management and production. SMEs need to recognize the characteristics absolutely, the existing scenario and the reasons of financial hazards to continue to exist within the market competition. Such tasks will position them ahead to effective prevention and manipulate measures, and as a consequence decrease the possibility of occurrence of risks to ensure their improvement (Giaoutzi, Storey & Nijkamp, 2016).

In another study conducted in Ethiopia, Knight's hypothesis was used that what differentiates business enterprises from other individuals is their higher level of self-

efficacy and confidence (Ayalew & Zeleke, 2018). Naturally the study indicated that there was a positive relationship between risk taking and self-esteem. Indeed, Ayalew & Zeleke, (2018), did a research demonstrated that feedback delivered to the participants influenced their self-efficacy and sense of competence. As expected, individuals with higher competency were more vulnerable to hazards, whereas entrepreneurs with lower competency were less vulnerable to risk-taking.

According to a study conducted in the Czech Republic, financial risk control is a vital location of control of small and medium-sized enterprises (SMEs) (Belás *et al.*, 2015). The capacity of SMEs to develop fantastically depends on their ability to make investments cash to the development of their companies. These investments want capital and consequently, access to internal or external economic sources. Many authors agree that SMEs have limited get right of entry to external resources of financing. The goal of this article is to outline and evaluate critical determinants of monetary hazard within the section of small and medium-sized firms.

The significance of financial threat multiplied in the course of the disaster, which is reflected within the problematic technique of SMEs to outside funding. We found that most straightforward tiny range of marketers creates the financial reserves of their businesses, and so this approach does not have the massive weight inside the SME section. Significant variations in procedures of the SME marketers to monetary danger control in terms of gender and level of training had been no longer identified.

In a study conducted in Cape Town, South African youths in the universities distinguished between two parties depending on pull or push on motivation in their entrepreneurial intentions (Gwija, Chuks, & Iwu, 2015). In a study performed in Cape Town, South African youths in the universities prominent among agencies of people relying on their pull or push motivations for entrepreneurship (Gwija, Chuks, & Iwu, 2015). First, by means of univariate analysis, the research compared the two companies primarily based on generally investigated individual level characteristics that decide entrepreneurial engagement. Second, the usage of multinomial logit regressions, the study investigates whether those traits force entrepreneurial engagement in a different way for the two groups.

Furthermore, some other research carried out in Kenya, confirmed that the increase in self-belief in one discipline (e.g. dilemma task) impacts the propensity to take hazard on this field however now not in other regions (e.g. Lottery-kind tasks) for girls (Gathenya, 2015). This shows that the outcomes of an increase in self-confidence are task specific. Finally, Krueger and Dickson (2016), conducted an analysis and which indicated that self-esteem has influenced the attitude of opportunity based on success and failure, which in turn influenced the propensity to take a risk. Providing self-efficacy has increased the knowledge of a given situation as being an opportunity for success and decreased the perceived threat (perceiving the situation as threatening). Thus, the study expects a positive relationship between self-confidence and risk-taking in skill-related circumstances.

### **2.2.3 Autonomy and Risk**

A study researching the effect of autonomy in the entrepreneurial propensity to risk was conducted in Canada. It had three purposes: first, to offer an imaginative and prescient of entrepreneurship education that has the pupil's potential for self-reliant motion as its intention (Osiyevskyy & Bogatyreva, 2016). Second, to convince the reader of the timeliness and relevance of such a technique. Third, to indicate how this will be carried out. The paper included several empirical literatures: studies on entrepreneurial autonomy, instructional psychology, and entrepreneurship education. The importance of independence, as recommended by studies on entrepreneurial pleasure, as well as by way of a variety of societal developments that favors accelerated self-reliance. Two views, self-directed learning and self-determination theory offer leads approximately a way to placed autonomy center degree in entrepreneurship. Various implementation-associated issues are described. These include trade-offs between guidance and freedom, facts and strain, the self and others, and preference and relevance, the outcomes of students conduct on autonomy guide by using faculty and autonomy-entrepreneurship training for special varieties of educational settings.

According to a study performed in Sweden, the intellectual autonomy moderates the relationship among engagement in startup businesses and fully being through its effect on intellectual competence (Nikolaev & Wincent, 2018). The study from Sweden tested the model on a representative sample of 1837 running people. The results indicated that active involvement in entrepreneurial work responsibilities to be strongly related to

nicely-being non entrepreneurship support. Thus, we highlight the importance of man or woman self-organisation with autonomy at its sole purpose. This makes entrepreneurial work more beneficial in terms of basic psychological desires in comparison to different work options.

In a study done on the Swedish global entrepreneurship research, autonomy strongly related to entrepreneurship because of the decisional freedoms it involves. One possibly has the freedom to decide when entrepreneurial duties will be executed (Shir, Nikolaev, & Wincent, 2018). These rights to entitlement arise no matter whether the entrepreneurship takes the shape of an impartial venture giving jobs to others. However, the want for autonomy can also be a precondition for the fulfillment of other intentions. Burns (2016) requested commercial enterprise starters why they desired independence. Many desired autonomies to have the liberty to make their personal decisions.

According to a study performed by Marco van Gelderen (2016), autonomy-driven entrepreneurs should frequently create the effort to gain and preserve autonomy. The aim of the study changed into to a survey the reason of autonomy, its versions over time, and the way it's far laid low with quite a number internal and outside conditions as well as the moves of the entrepreneur. The studies layout utilizes a qualitative methodology, asking sixty-one enterprise proprietors to respond to several reports that indicate the autonomy-related issues. The results imply that whether an entrepreneur actively stories autonomy is great assessed through not handiest asking for the degree of decisional freedom he or she presently enjoys, but also whether that degree of autonomy is chosen with one's will. Other main findings are that consumers frequently constitute provocations to autonomy. The results reveal diverse autonomy vivacious displaying moves among presently exercised, non-permanent sacrificed, and unconditioned lost decisional freedoms. These actions are encouraged by using a range of factors, which include the significance of clients or assignments, the segment in the commercial enterprise lifestyles cycle, and the monetary performance of the commercial enterprise.

According to a study conducted by Lumpkin, Cogliser & Schneider (2009) in Rwanda confirmed that humans also want autonomy due to the fact it is influential to the satisfaction of different intentions. Some have been influenced by using terrible" autonomy that is to mention that they usually disliked, or had a problematic boss or



stifling company's policies. Others insisted that they desired to do "their component: of their view, startup ventures supplied the opportunity to handle their jobs in keeping up with their desires, preferences, tastes and ideals. Still, others insisted the opportunities offered by using entrepreneurship in phrases of being in price, directing, and for main in preference to being led.

According to a study conducted in Kenya, Mwaura, (2016) claims that autonomy represents a personal endorsement of one's actions and tries to struggle directed to the development and of personal objectives and values. Autonomy extends beyond having freedom to makes decisions to self-discipline, understanding what one's dreams are and acting on them. The research argues that autonomy can be a leading objective in entrepreneurship education. to support the view that student autonomy can be an aim of entrepreneurship education.

## **2.3 Locus of Control**

### **2.3.1 Locus of Control and Entrepreneur Intentions**

Various studies have indicated that entrepreneurial intention is highly impacted by individual's beliefs, perception and values. Nonetheless, it might be rational to trust that the cultural environments and microeconomics of some nations endorse entrepreneurial intentions. The study also compares different groups concerning their beliefs and perceptions about entrepreneurship.

In a study conducted in Malaysia, appeal, perceived viability and, consequently, a propensity to start up a business is based on people's beliefs (Chuah *et al.*, 2016). For Chuah *et al.* (2016), entrepreneurial behavior is fundamental based on a propensity to act. The propensity is directly influenced by the perceived desirability and feasibility of a practice, which are both explained by a person's perception of his or her environment. These beliefs and attitudes include confidence in one's abilities, perceived opportunity, fear of failure, and networking with other entrepreneurs (Arenius & Minniti, 2015).

Furthermore, the characteristics such demographic variables known to be specific to innovators are only thought to influence behavior when they affect these attitudes and the rate of locus of control of an entrepreneur. In addition, perceived entrepreneurial intention

refers to how attractive the idea of starting up a business is to the targeted market. Correspondingly, social and cultural factors directly affect the appeal of entrepreneurial habit. Viability refers to the degree to which entrepreneurs think they can prosperously start up and run a business. Usefulness depends, for example, on the perceived resources availability needed to create a company, on people's abilities and on their confidence in their role to complete valuable and critical tasks in the entrepreneurial and innovative process.

Other research conducted in Nigeria in youth corp members in Lagos has shown that entrepreneurs own specific traits (Moa-Liberty, Tunde & Tinuola, 2016). However, it has additionally been mentioned that not best can these characteristics vary according to the kind of entrepreneur. However, marketers' predispositions also are motivated with the aid of the surrounding environment. Different factors can motivate the choice to start up a business. Other research has likewise seemed into the relationship among cultural elements and entrepreneurial conduct.

According to a study conducted in Kenya, Rapando (2016) indicates knowing that attitudes and perceptions have an effect on entrepreneurial intentions and behavior and that countrywide tradition can also extensively have an effect on the latter, we thought it profitable to examine the business plans, pursuits and incidence of college students from seven distinctive nations. The study tried to understand higher how values and conduct predisposed those college students to create an enterprise or a process or have the aim to accomplish that.

### **2.3.2 Personality Attributes and Locus of Control**

Personality attributes such as innovativeness, opportunity evaluation, self-confidence and motivation are in line in creating locus of control which influences entrepreneurial intentions. This means that personality attributes are related to an entrepreneur's level of internal locus of control based on his or her motive in the business. According to a study done, in the University of Turkey on the personality attributes towards entrepreneurship, Çolakoğlu & Gözükara, (2016), indicates that personality attributes urge persons to act entrepreneurially thus gaining locus of control over their businesses. This includes, but not limited to innovativeness and propensity to risk-taking as some of the factors leading

to internal locus of control. The study focused on how people make decisions that involve venture creation, opportunity valuation and growth.

According to a study conducted in Russia, Zaborova, & Markova (2019), suggests that personality attributes may forecast the level of control an entrepreneur possess over the business performance that is, the decision to engage in entrepreneurial actions. The study results indicate that youths with entrepreneurial intentions and high level of locus of control are more likely to be innovative and possess a great sense of self and a high need for achievement. This study proposes that entrepreneurial personality attributes influence their attitudes and empirically determine the influence of some crucial entrepreneurial personality traits on entrepreneurial knowledge.

A study conducted in Egypt indicates that intellectual-based entrepreneurship research insists that people's idea to involve in entrepreneurial activities such as new business startup is based upon their motive to remain sustainable. The intentions to proceed for an entrepreneur in their business plan were highly impacted by their attitude that the activities are both viable (Sharaf, El-Gharbawy & Ragheb, 2018). This means that the entrepreneurial intentions were highly guided by the level of self-belief in their skills and abilities which influenced their internal locus of control. Findings in this line of study indicated that differences in people's attitudes about a prospective entrepreneurial activity which takes part in enhancing a significant role in their resolutions on whether to proceed or not. The study survey showed that the relationship between personalities attributes and entrepreneurial action is indirect. The effect of personality attributes on entrepreneurial actions is moderated by several layers of factors that include attitude, which define his or her internal locus of control.

According to Njimu, Theuri, & Kiragu, (2018), intellectual favoritism, such as over self-assured, the deceptive appearance of belief in the law of small numbers, directly influenced entrepreneurship-related hazard attitudes and indirectly affected perceived feasibility and desirability of prospective new business ventures. Research on entrepreneurship across many cultures suggested that cultural values, such as unequal power distribution, selfishness, low risk avoidance, and patriarchal leadership, might increase potential entrepreneurial opportunities which in turn reflect on the level of internal locus of control.

### **2.3.3 Religiousness and Spirituality and Locus of Control**

Religiousness and spirituality when applied in entrepreneurship, they are perceived as external locus of control which some of the entrepreneurs might think that the survival of their business relies on such forces which they can or cannot control based on their beliefs. The influence of deities in business might be one of the reasons why entrepreneurs might lack or have complete external control of their entrepreneurial intentions. It is important to note that the relationship between religiousness and spirituality and locus of control is believed to develop as a result of family upbringing and social lives where they are trained to base their efforts and intentions on their personal strength or on religious and spiritual deities.

According to the Fard *et al.*, (2018), the mastery of entrepreneurship is a driven by the value of an endeavor, whereby business startups try an internal personal definition and identity on their business hounding that are basically led by their intrinsic values based on social cultural values such as spirituality and religion. The interchange of these constructs gives a comprehension of how an entrepreneur's increased responsiveness in relation of his/her personal religiousness and spirituality can influence his or her business actions and crucial features of the entrepreneurial process and locus of control such as the creation of new business opportunities, as well as the development of these companies.

Previous research had indicated that an entrepreneur's cost structures, and faith may have a powerful impact on his/her business commitment, culture, new opportunities, and different crucial effects for his/her organization (Dana, 2010). Within business agencies, the entrepreneur who starts off based on his religious and spiritual beliefs, regularly have an effect on organizational choices and the holistic development of his/her employees than she or he might have within larger, more conventional businesses. Many instances, the personalities and values of the entrepreneur are indistinguishable from the enterprise. Their own social backgrounds, personal experiences, and spiritual or secular values of marketers offer a set of ideas for which they use to do their businesses. The regulations and practices set forth can moreover impact enterprise relationships with multiple stakeholders, inclusive of employees, clients, the community, suppliers, and different outside constituents. A deeper study religious and non-secular practice within entrepreneurial corporations provides ability method to the demanding situations of expertise the "entrepreneurial mind-set".

In a study conducted in Germany, Wyrwich (2018) shows that some of the vital mechanisms inside the new business procedure might be based via a secular or religious background of the person's entrepreneur. The research on entrepreneurship knowledge indicates that companies develop where entrepreneurial usefulness consisting of distinctiveness, rationality, taking risks, wealth era and long-time period orientation are major (Mueller & Thomas, 2017). However, the assumptions include that such issues are actually everyday inside the life of a businessperson, and also that they're the best values notably related to achievement in new assignment creation, have no longer been totally confirmed in all cases

Just as there's no best manner to pursue mission improvement, it appears there may be nobody pleasant version of business that is important to all conditions. Research at the development of business people indicate that the need for self-fulfillment is regularly the essential motivators for people that decide to begin their personal business (Segal, 2015), that are the two elements related to most definitions of spirituality. In Saudi Arabia, Alarifi & Alrubaishi (2018) suggests that know-how the essential relationship amongst non-secular orientation, economic improvement and entrepreneurial habits, has demonstrated tough, in part due to each the complexity of the religiosity and spirituality constructs and a loss of empirical research inside the field. For purposes of this assessment, faith was described as a codified set of beliefs, in Saudi Arabia which defines their business motives. This is occasionally seen as dividing humans via distinct rituals, doctrine, and its emphasis on formal structure because the country uses religious teaching as part of the constitutional law. This means that the Saudi Arabian citizens and even the international investors must be able to start up and launch entrepreneurial intentions which are in line with the Islam religious teachings. This might hinder entrepreneurial intentions or even catapult entrepreneurial ideas based on the vision of the business set up.

In Kenya, according to Gez & Alvis, (2015) research has indicated a positive relationship between religiosity and, better adaptability skills, increased longevity in business and positive life which results into high locus of control and implementation of entrepreneurial intentions. Also, spirituality, is viewed as both personal and universal, developed outside of traditional, organized religion, and perceived as tolerant of heterogeneity and open-minded which also assist entrepreneurs to step into new business

ventures with the belief that it is a divine intervention. In addition, Neal (2017) defines spirituality in the workplace as entrepreneurs perceiving their job as a spiritual path, as an opportunity to develop their positive personalities and eventually contribute to society in a meaningful way. Approaching new business venture with a mindset based on fulfilled spirituality which is connected to universal deities has been related with improved higher profits, and success, self- realization, stewardship and effective decision-making.

## **2.4 Proactive Personality**

### **2.4.1 Proactive Personality to Entrepreneur Intentions**

According to Bateman & Crant (2017), proactive personality is connected to entrepreneurial alertness and intentions. “Proactivity is the dynamic endeavor created by the entrepreneur to start changes in the business environment they are planning to venture into. Entrepreneurs employing proactive personalities tend to take the capability to influence and even to change the business situation significantly. In other words, having a dynamic personality can assist an entrepreneur in releasing evidential pressures, identify business opportunities, make dynamic moves, and thereby influence the environment to create meaningful changes. Alongside, Crant (2016) on environmental adaptability and proactivity, additional literature studies have argued that proactive entrepreneurs have a high probability in achieving success at their ventures and more positively attuned to the need for predominance, self-confidence, achievement and mindfulness.

According to Tang *et al.*, (2015) on a study carried out at the undergraduate college students from Singapore, have indicated that entrepreneurial intentions links the connection between a proactive character and a skills boom and development, and confirming that persona developments, which include proactive personality, are linked to entrepreneurial purpose. Obschonka *et al.*, (2017), employed longitudinal records from Helsinki, Finland amongst high schools, suggests that entrepreneurial intentions are expected by means of special underlying talents. In addition, both proactivity and creativity enhance the relationship among persona attributes and entrepreneurial intentions.

A study carried out in Pakistan to signify the correlation among proactive personality and entrepreneurial intentions. According to Crant (2016), the research strives to analyze on the function of proactive persona in catapulting students' entrepreneurial intentions by adding the moderator of innovativeness and middleman of self-efficacy. Data became taken from the scholars admitted in universities of Pakistan who had studied entrepreneurship course and have been still planning on formulating an enterprise inside the future. The study had 350 respondents who were chosen via stratified sampling.

The partial least squares (PLS) method was employed to estimate the version via the use clever PLS software program. Structural equations approach (SEM) turned into employed to check the speculation. The study's findings indicated that there was a fine huge dating among proactive character and entrepreneurial intentions. Further, self-efficacy functioned as a mediator among the connection of proactive persona and entrepreneurial intentions. However, the outcomes concluded that innovativeness does not slight among the relationship of proactive character and entrepreneurial intentions.

Previous studies carried out in Nigeria have indicated a positive relationship between proactive persona and entrepreneurship intentions (Kickul & Zaper, 2018). The study related proactivity to beginning rather than buying a running business or an inherited business. Proactive character is visible because the fundamental precursor of entrepreneurial intentions and application to possibilities. This is due to the fact opportunity popularity is an essential issue of personal inventiveness. In addition to investigating how proactive personality perform within the entrepreneurial occasion model's framework, every other contribution of this have a look at lies in providing empirical proof to confirm interventions in how higher education, establishments (incubators, accelerators, investor companies) and experts teach and expand ability marketers, a value that students note as increasingly more important (Kuehn, 2016). Hence, there is fantastic practical price in higher know-how the interaction amongst character difference variables on entrepreneurial intentions, and this information can inform how we paintings with capability entrepreneurs in the future.

In a study conducted in Kenya, it indicated that entrepreneurs with a proactive personality are more inclined to both the environment and their adaptation or opportunities in it, manifesting as personal initiative to enact change (Khaled, 2015). Entrepreneurs higher

in entrepreneurial self-efficacy hold more positive beliefs regarding their ability to carry out the requirements of starting and owning a business successfully. The study argues that the influence of entrepreneurial self-efficacy on entrepreneurial intentions is stronger when individuals are proactive because their tendency to affect environmental change sharpens their attention to beliefs regarding that change entrepreneurial self-efficacy. When individuals are less proactive, the relationship between entrepreneurial self-efficacy and entrepreneurial intentions should be weaker as they are less inclined to identify and incorporate relevant information, such as capability beliefs, into their intentions.

#### **2.4.2 Social Support and Proactive Personality**

Social Support plays a vital role in enhancing the development and growth of proactive personality among entrepreneurs. In some cases, gender equality is one of the reasons why social support is effective in ensuring that the women are motivated to start their own business with the same opportunities as men. On the same vein, social support may also be enhanced in form of motivation and inspiration in relation to the environment the entrepreneur is exposed to.

Based on a study conducted by Sequeira, Mueller & McGee, (2017), there were around 20% of Indonesia's young men and one-third of the young women being neither unemployed nor going to school. The total number of young men aged 15 to 24 years in Indonesia reached approximately 20.5 million and the total number of young women aged 15 to 24 years is around 20.2 million. Although the number of unemployed females has decreased compared to their male counterparts, gender disparity in entrepreneurial intentions is still a challenge in Indonesia. Despite several key areas like equal opportunities in education and health showing considerable progress, there are still many women working in the informal sector (twice as many as the number of men) who are not given the equal opportunities to implement their entrepreneurial intentions the same as men.

Furthermore, women receive low wages in comparison to their male counterparts (Indonesia-investments, 2015). However, it is important to note that economic growth needs active participation of women in entrepreneurship in order to increase creativity and innovations. The research findings indicated that women can play a crucial role in entrepreneurship activities through social support which can increase their proactive



personalities among the aspiring female entrepreneurs. Women's contribution to economic growth is heavily reliant on the exposure of equal support in entrepreneurship the same as men in the specified institutions. Despite women comprising about 50% of the world's population, they have less opportunity to take part in decision-making. Since 2008 i.e. after the financial crisis, women have been experiencing more significant difficulties in earning capital than men and the economic crisis has harmed women. This means that the government and relevant authorities should put up measure that would increase social support to achieve gender parity in launching entrepreneurial intentions.

In the global entrepreneurship monitor, Burns (2016) apprehend the difference between pull and push motivations by initiating the idea of opportunity and need for developing entrepreneurship ventures. The introduction of motivation from role models, training and workshops based on entrepreneurship success is likely to influence positively the development of proactive personalities among entrepreneurs. Even though several estimates of opportunity and necessity entrepreneurship exist, it is widely accepted that pull factors form the basis for the opportunity for entrepreneurs to start up a new business while necessity entrepreneurs are driven mainly by push motivations.

Opportunity entrepreneurship reviews that start up initiatives the need to utilize a business opportunity, whereas necessity entrepreneurship exists when launching a business is due to lack of a better deal (Cowling *et al.*, 2015). Although opportunity entrepreneurs follow a business deal for personal decisions and interests (often when they are still wage employed). Entrepreneurship is often the best but not the preferred option for people who begin out of necessity (Bhachu, 2017). Nevertheless, the influence of effective training on entrepreneurship skills has a positive effect on either pull or push motivation which assists in initiating proactive personality in such entrepreneurs.

In a study conducted in Uganda and Kenyan youths as part of the East African community, it indicates that the start-up motivation initiated by proactive personality has an effect for the way in which a business is managed. For instance, in terms of business vision, market entry strategy and organization performance (Baluku *et al.*, 2019). Accurately, necessity entrepreneurs are attributed to lower business fulfillment levels, lower returns to education inferior performance and shorter spells in entrepreneurship than opportunity entrepreneurs. Furthermore, a positive relationship between opportunity

entrepreneurship and proactive personality has been found, while such a relationship is rare for necessity entrepreneurship (Julien, 2018).

At the macro level, necessity and opportunity entrepreneurs are known to have a differential impact on economic development, employment creation and aspirations based on the motivation of their proactive personality. Finally, in their study on the interaction between the entrepreneurship cycle and the business cycle, Baluku *et al.*, (2019) show that opportunity entrepreneurship with high proactive personality hold on to the business cycle for more two years, while necessity entrepreneurship hold on to the business cycle by only one year. The necessity entrepreneurs rely on moral and social approval for their business ideas which means that the business might not be out of self-proactive personality to start a business. Nevertheless, there are important policy implications given that new business ventures seem to interplay distinctively with the cycle.

Further, Karimi, *et al.*, (2013) indicated that the number of girl's who are entrepreneurs is less than men on Iranian college university students. The percentage of female marketers is better in international places in which the overall earnings consistent with capita is at a decrease degree, in which women ought to paintings for a living. However, Balea (2015) argued that girls are starting to trade the state of affairs in recent times in phrases of an entrepreneurship profession even although there are still only some studies that have targeted at the elements influencing entrepreneurial intention amongst female university students (Aaijaz & Ibrahim, 2013). Thus, there may be a want to do similarly investigation to discern out if there can be any difference in terms of gender and entrepreneurial reason, especially among more youthful industrial enterprise university college students in Indonesia.

Another study conducted in Tunisia investigated on the have an impact on of social assist on pupil's inclination in the direction of entrepreneurship (Dabic *et al.*, 2012). It additionally aimed to test whether gender can mild the connection amongst SS and entrepreneurial aim among business corporation students in Tunisia. Quantitative evaluation turns into achieved using the SPSS version 22. These have a observe comfortably distributed 1,230 self-administrated questionnaires to the economic organization university students at public and private universities in Tunisia. This facts series manner yielded again with 381 usable responses that have been used inside the

statistical evaluation for assessing the connection among SS and EI in addition to the distinction amongst male and woman students in terms of entrepreneurial goal. This study indicates that, there can be an exceptional relationship among social aid and student's inclination closer to entrepreneurship and there's a distinction between male and girl college students in terms of entrepreneurial goal.

In some other study conducted in South Africa, some of the youths do no longer have assist from their circle of relatives and friends to do entrepreneurial sports (Ndofirepi, Rambe & Dzansi, 2018). Instead, their dad and mom and friends always discourage them after they need to start an enterprise. Most of the father and mother of university graduate's accomplice the prospects of being an entrepreneurial activity with high risks. Such pessimistic supposition ought to every so often be a problem and discourage the children from initiating an entrepreneurship project. Amalia (2016) discovered through her observe that students tend to show low self-belief of their capacity to come to be marketers.

They lack parental help because the mother and father have a desire for their youngsters to be employed in place of being self-employed. Mustikawati & Bachtiar (2018) observed that a number of parents cross against their youngsters' ardor to grow to be marketers and unconsciously try to impose their will on their youngsters' choice. Due to the fact being an entrepreneur are perceived as a less prestigious career in Indonesia, although entrepreneurship sports can substantially contribute to GDP.

### **2.4.3 Work Engagement and Proactive Personality**

Work engagement levels for an entrepreneur in launching his or her venture are determined by the commitments he or she has in other duties. This means that when an entrepreneur is tied up in other duties such in an employment the level of work engagement in his or her entrepreneurial intention might increase or deteriorate. This is likely to affect the proactive personality involved when an entrepreneur is committed in his or her intentions in launching a business. In addition, the level of passion between other commitments and entrepreneurial intentions highly affects proactive personality of an entrepreneur.

In the entrepreneurship literature, the term “passion for work” transpired from qualitative research on entrepreneurs’ motivation. According to a study conducted in China indicated that entrepreneurial intentions rely on how engaged employees were in a solar panel producing company (Steffen *et al.*, 2018). Since then, few strives have been made to consider the construct in either entrepreneurship research, or work and organizational psychology. Study on work passion and performance is scarce but there is one exception is a theoretical entrepreneurship article that described entrepreneurial uncontrollable drive as “consciously accessible, intense positive feelings experienced by engagement in entrepreneurial activities associated with roles that are meaningful and salient to the self-identity of the entrepreneur.

Another study was conducted in Norway (Moses *et al.*, 2016), on how passion and work engagement influences proactive personality and implementation of an entrepreneurial intention. Work engagement and passion regarding entrepreneurial activities has been defined as an inclination based on what entrepreneurs love to do. This makes the entrepreneurs find it important and they are ready to dedicate time and energy towards their work. Two forms of passion have been identified: “harmonious passion” and “obsessive passion”. In the case of a harmonious passion and work engagement, the entrepreneur rules over the business roles and activities, but he or she does not let the business overpower his other parts of social life. This is different from obsessive passion and work engagement because in this case entrepreneurs are willing to dedicate all their resources in launching an entrepreneurial intention thus displaying their high level of proactive personality. People who have developed a harmonious passion in their work engagement they might are also able to display their proactive personality in launching an entrepreneurial intention which depend on other commitments.

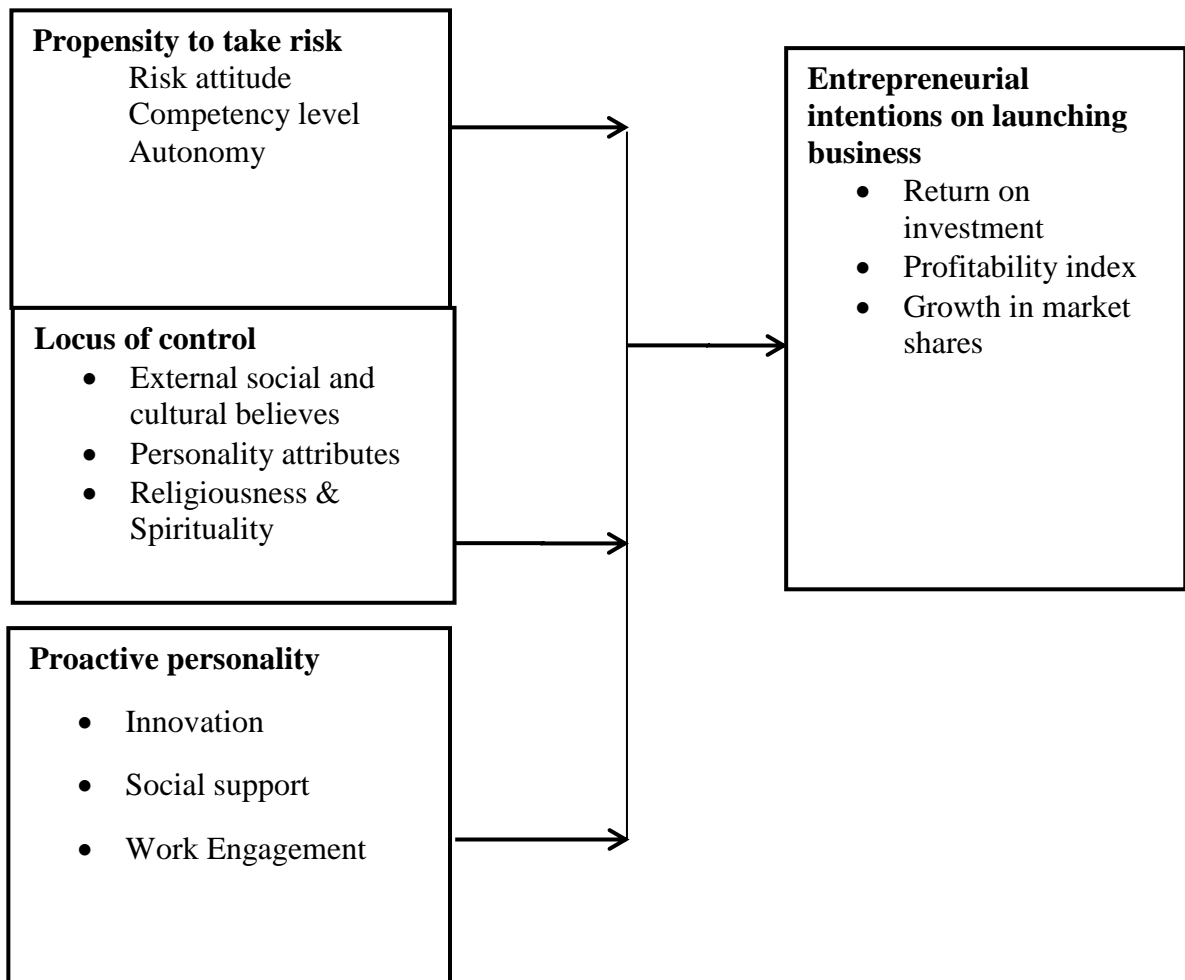
Empirical studies have supported this perception. Shuck, Zigarmi, & Owen (2015), in the case suggests obsessive passion, the interest dominates the man or woman which means that this activity in the end takes relatively too large area inside the character’s identity and reasons conflicts with other lifestyles domain names. Obsessive passion pertains to terrible emotions whilst no longer engaging inside the pastime (e.g. Frustration and agitation), but additionally while engaging inside the hobby (e.g. Shame and guilt). The literature indicates that special developmental techniques lead to the improvement of either obsessive or harmonious passion amongst children and young adults. This affects

the level of proactive personality for an entrepreneur to launch a business based on the level of work engagement and passion in a given venture.

Young people whose environments supported their autonomy were more likely to make bigger harmonious passion. In comparison, younger people who exceptionally valued interest specialization, who relied closely upon the hobby in self-definition, and whose parents entirely valued the hobby had been much more likely to increase obsessive passion. These suggests the two types of passions are qualitatively wonderful constructs as opposed to points on the same continuum on which obsessive passion might be an extra extreme stage of work engagement than harmonious passion (Mageau *et al.*, 2019).

According to Steffens *et al.*, (2018) contemporary research has examined that the dual idea of passion is relevant to the entrepreneurial intentions and paintings engagement. This study suggests that harmonious and obsessive passion closer to paintings relate in a unique way to cognitive, affective, and behavioral results (Forest *et al.*, 2011). Harmonious an associated to drift, affective dedication, strength, mental fitness, fulfillment of psychological dreams, manage over one's expert existence and having a laugh at the same time as operating. In comparison, obsessive passion, related undoubtedly to distress, taking work home, and thinking about artwork even as outside the place of job. Strong analogies exist amongst harmonious and obsessive ardor towards work and different properly showed standards in artwork and organizational psychology, personally paintings engagement and workaholic. Harmonious rather than obsessive passion may want to perhaps first-rate be regarded as precursors of labour engagement and artwork holism respectively. Theoretical insights from the passion literature inspired an emblem-new outlook on the observes of those constructs.

The argument of whether or not an entrepreneurial aim is a part of perception, behaviors or attitude and motion continues to be on-going, but it is an essential method in entrepreneurship (Fitzsimmons & Douglas, 2016). Bird (2016) argued that investment intentions drive entrepreneurs of their goals, goals, preferred and organizational work and even verbal exchange. According to Fitzsimmons & Douglas (2016) entrepreneurial intentions caricature the purpose of a commercial enterprise idea in the intervening time of its starting and see it thru its feasibility, transformation ranges, sustainability and expansion.



**Figure 2.1: Conceptual Framework**

## 2.5 Chapter Summary

The chapter sought to fill this gap by way of figuring out the factors inhibiting the achievement of entrepreneurial intentions on launching businesses guided by the three study objectives; propensity to risks, locus of control and proactive personality. A case study of master entrepreneurship students at United States International University-Africa in Nairobi, with the aid of seeking to solution the subsequent questions. The chapter starts with theoretical framework which elaborates theory of planned behaviour and how it is related to entrepreneurial intentions. In this study, the research launched into reading the research objectives with respect to past studies in relation to factors affecting launching of entrepreneurial intentions locally, regionally and globally. The commercial enterprise hazard can be perceived as the opportunity that the values of the real organization outcomes will vary from anticipated values, while these deviations can be relevant (agency achieves higher earnings than planned) or no longer ideal (employer

suffers loss as an alternative deliberate income), in which the importance of the variation may be variable. This is well illustrated from past studies based on research objectives. The chapter also has conceptual framework which represents the studies objectives diagrammatically. The research design and methodology will be introduced in chapter three where which will adopt descriptive survey on determining factors influencing entrepreneurial intentions on MBA students in USIU Africa 2019.

## CHAPTER THREE

### 3.0 RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter describes the methodology that was used to conduct the study. This includes the research design, target population, sample size and sampling techniques, instruments, data collection procedure and data analysis techniques and ethical considerations.

#### 3.2 Research Design

This study adopted descriptive survey research design and its findings were used to generalize the factors inhibiting the success of entrepreneurial intentions on launching business. Descriptive survey studies designs are used to allow researchers to accumulate facts, summarize, present and interpret for the reason of rationalization (Trochim, Donnelly, & Arora, 2016). The purpose of descriptive survey studies layout is to examine, describe and file aspects of a situation as it obviously takes place. Descriptive research is appropriate because it entails observing and describing the conduct of a subject without influencing it in any way. It is used to check attitudes and critiques approximately events, individuals or system.

Studies that describe events and research aimed at discovering inferences or causal relationships. Descriptive research is geared toward finding out "what is", so observational and survey strategies are regularly used to accumulate descriptive information (Borg & Gall, 2019). Descriptive research records facts along with measures of central tendency which include the imply, median, and mode, deviance from the mean, variation, percentage, and correlation among variables. Survey studies generally consists of that sort of dimension, however, often is going past the descriptive statistics to draw inferences.

Descriptive studies are specific inside the variety of variables employed. Like different kinds of studies, descriptive research can include more than one variable for evaluation, yet unlike different strategies, it calls for best one variable (Borg & Gall, 2014). For instance, a descriptive observe might hire methods of reading correlations between multiple variables by means of the use of assessments inclusive of Pearson's Product Moment correlation, regression, or more than one regression evaluation.



Three main purposes of research are to explain, provide an explanation for and validate findings. Description emerges following creative exploration and serves to organize the findings with a view to healthy them with factors, after which look at or validate those motives (Krathwohl, 2015). Many research names for the description of natural or guy-made phenomena such as their shape, structure, hobby, and change over time, relation to other phenomena, and so forth. The description often illuminates expertise that we may not in any other case word or even come across.

### 3.3 Population and Sampling Design

#### 3.3.1 Population

Burns & Grove (2003, p. 13) describe population as all the elements that meet the criteria for inclusion in a study. Trochim, Donnelly, & Arora (2016) defines population as all the members of a real or hypothetical set of people, events or objects to which a researcher wishes to generalise the results of the study. The population represents the entire set of units of analysis or the total collection of elements on which inference is to be made (Cooper & Schindler, 2007). In this case, the population consisted of 50 members who are officially registered as entrepreneurship students in United States International University - Africa at 2019 as the study population.

**Table 3.1: Population Distribution**

Category	Population
MBA Entrepreneurship students- Summer 2019	50

Source: United States International University-Africa (2019)

#### 3.3.2 Sampling Design

##### 3.3.2.1 Sampling Frame

According to Cooper & Schindler (2007) a sampling frame lists the entire population from where the sample size is selected. This means that the sampling frame consists of the correct number of the target population. In this case, the researcher drew the information from USIU entrepreneurship class Summer 2019 which consist of 50 student who are the population targeted by the study.

### **3.3.2.2 Sampling Technique**

Out of the 50 master students in entrepreneurship the study will use all the students randomly because the target population is manageable. According to Mugenda and Mugenda (2013), an objectively selected sample of between 10-30% of the population is considered adequate for generalization of the findings. In our case the sample data is the same as the population. This means that the researcher will randomly select the elements for the study in order to achieve the expected results. Following the high level of homogeneity among the target respondents especially as regards operations and challenges, the study used simple random sampling technique to select the population. Sampling of individuals for a study was done in such a way that the individuals selected represent the large population from which they were selected.

### **3.3.2.3 Sampling Size**

Fox & Bayat (2007) defines a sample as any subset of the population elements which are obtained for the purpose of a given study. This represents a proportion of a population. A sample therefore a reflection of of the whole population. In an ideal situation, data should be collected from whole target population of 50 students who aspire to be entrepreneurs. This represents the entire population. The population is manageable which will make the researcher to gather accurate and reliable data regarding their responses on factors inhibiting their entrepreneurial intentions.

## **3.4 Data Collection Method**

Data collection technique employed using questionnaires schedules. The questionnaires had both structured and unstructured questions. According to the most appropriate studies device for descriptive survey studies design is a questionnaire. The unstructured questions became open ended at the same time as the dependent questions turned into near ended questions built in a 5 factor Likert scale and assigned numerical values to make quantitative analysis possible. The questionnaires have been preferred for his or her suitability and ease of management.

The questionnaires addressed the questions on the factors inhibiting the fulfillment of entrepreneurial intentions on launching enterprise. Trochim, Donnelly, & Arora (2016) argued that the blessings of the use of questionnaires are that information can be collected

from a large sample; confidentiality is upheld, saves on time and has no opportunity for interview bias. It is suitable for facts series because it allows the researcher to attain a huge sample within constrained time and ensures confidentiality of the records given via the respondents.

The questionnaires contained dependent and unstructured questions. The dependent questions have been used due to the fact they're simpler to research as they're in on the spot usable form, while the unstructured questions might be used as they encouraged the respondent to provide an in-intensity and felt response without feeling held back in revealing of any data (Gupta, 2015). With unstructured questions, a respondent's response offers an insight to his or her feelings, background, hidden motivation, interests and decisions and gave as an awful lot information as possible without protecting returned. Before the information collection, a pilot check may be carried out to check the validity and reliability of the research tool. This helped in refining the questions via rephrasing and elimination of ambiguous questions. To make certain the reliability of the research device, the studies will use Cronbach alpha technique, which become based on inner consistency of the studies devices alpha measures the average of measurable items and its correlation. If the coefficient is extra than 0.70, then the tool was deemed reliable.

### **3.5 Research Procedure**

The researcher obtained an introductory letter from the University to be used in the field during data collection. The letter was used by the researcher to seek permission to carry out research and collect data from the head of department concerning what hinders their entrepreneurial intentions and launching of new business ideas. The researcher personally distributed the questionnaires to all the 50 students. During the distribution of questionnaires and data collection the researcher together with the assistant will provide the conducive environment for the respondents such as clarifying on details they do not understand.

### **3.6 Data Analysis Method**

The questionnaires were checked for completeness and consistency of information at the end of every field data collection day and before storage. The capturing of data will be done by SPSS version 20. The data from the completed questionnaires was cleaned, re-coded and entered into the computer for analysis to produce frequency tables and the necessary measures of variances for interpretation. Descriptive tables were used to

display distribution of population in relation to demographic factors. Descriptive statistics (that is frequency analysis) was computed for presenting and analyzing the data.

Descriptive statistics enabled the researcher to describe the aggregation of raw data in numerical term (Mugenda & Mugenda, 2013). The descriptive statistics that was used will involve the use of univariate, bivariate and multivariate analyses. These methods involved the use of frequency distributions and percentage tables. The data analyzed for descriptive data (frequencies and percentages. SPSS will be used to analyze data through determining the correlation and regression analysis of the variables. Analyzed data was presented using figure and tables.

### **3.7 Chapter Summary**

This chapter described the research design and methodology used to conduct the research. The research design adopted was descriptive survey which gave the researcher a chance to collect facts and information to be analyzed as per the respondents involved. The chapter also indicated that the target population consisted of 50 members who're officially registered as entrepreneurship students in United States International University – Africa at 2019. Nevertheless, in our situation the sampling technique was done in such a way that every individual selected out of 50 was treated as the sample. The data collection method was questionnaires which were distributed to every respondent in order to achieve reliable data. The questionnaires addressed questions relating to the three objectives which include propensity to risk, locus of control and proactive personality and how they inhibit the success of entrepreneurial intentions on launching enterprises. In order to distribute questionnaire the researcher had to obtain an official permission from USIU-Africa. The chapter also highlighted on SPSS as the data analyses method which was used in chapter four. Chapter four analyzed the data filled in the questionnaires by capturing it by SPSS version 20. SPSS analyzed the results and findings through determining regression and correlation of the variables.

## CHAPTER FOUR

### 4.0 RESULTS AND FINDINGS

#### 4.1 Introduction

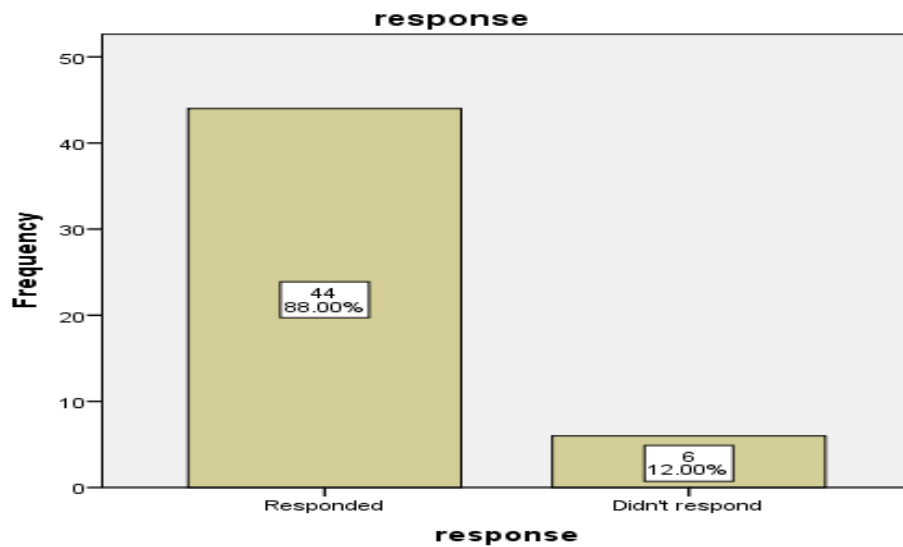
This chapter presents the findings and interpretations of the results based on the objective of the study, which was to determine the factors inhibiting the success of entrepreneurial intention on launching a business. The chapter begins with the respondents' background information followed by factors inhibiting the success of entrepreneurial intention on launching a business. The study was conducted and data collected by administration of questionnaires to 50 respondents.

#### 4.2 Demographic Information

The following gives the various demographics on which the data was collected and is represented in tables and charts

##### 4.2.1 Response Rate

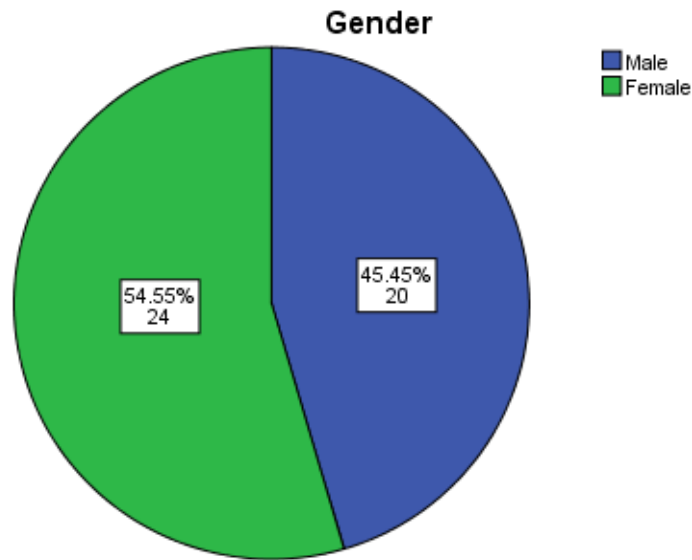
The graph below shows the response rate on the 50 respondents whom the questionnaires were administered. From the below table and chart, it is evident that 44 (88%) of the participants responded by filling in the questionnaires while 6(12%) did not effectively respond. Since the response rate is above 60% the data collected thus fulfills the threshold for analysis and giving recommendations in this study



**Figure 4.1: Bar Chart for the Response Rate.**

#### 4.2.2 Gender

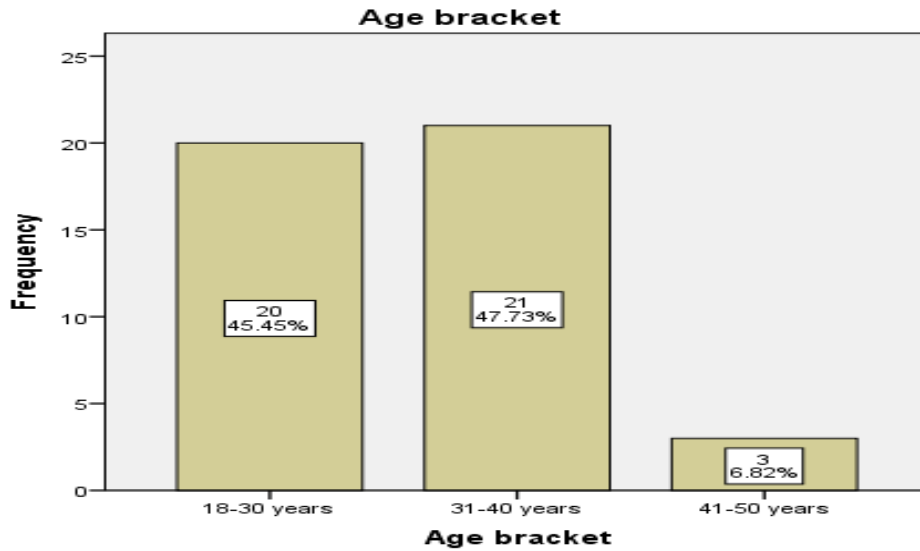
The gender of the respondents is as below. The pie chart below indicate that from the survey done and data collected, the majority are female being 24 while the male are 20 of the sample of study. Thus, the female are the majorities who have ventured into the entrepreneurial activities from this population being 54.5% while the make are 45.5%.



**Figure 4.2: Gender of the Respondents**

#### 4.2.3 Age of Respondents

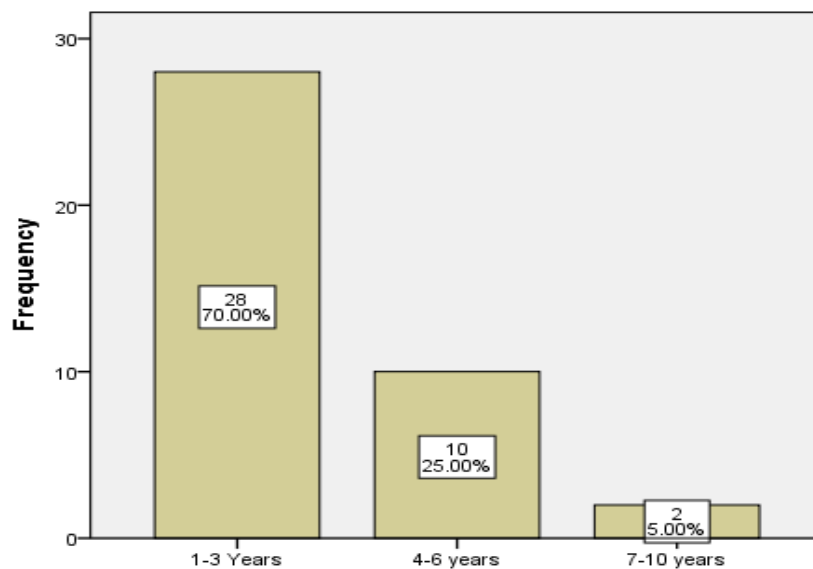
The entrepreneurs vary in age and as from the data collected in the United States International University Africa, the various age groups of the respondents have been sampled. The graph below indicates the relative representation of the age groups of the entrepreneurs in the population. Results below indicate that the highest number of entrepreneurs are aged between 31 to 40 years with 21(47.7) of the respondents being in this category. Those aged between 41 and 50 years are the least with only 3 (6.8%) of the respondents being under this category. On the other hand, 20 of the respondents are aged between 18 to 30 years thus translating to 45.45% of the population of entrepreneurs at United States International University Africa.



**Figure 4.3: Age of the Entrepreneurs**

#### 4.2.4 Duration in the SME

The time and duration the entrepreneurs have been in the SME vary differently, as given by the respondents. The results from the sample indicate that most of the entrepreneurs have been in the SME for 1 to 3 years where 28 of the 44 respondents indicated that. On the other hand, the least number being 2 indicated that they have been in the SME for 7 to 10 years. Data for 4 individuals is missing of which they indicated that they had not started or were planning to start in SME. The above duration of the entrepreneurs is represented in the bar chart below.

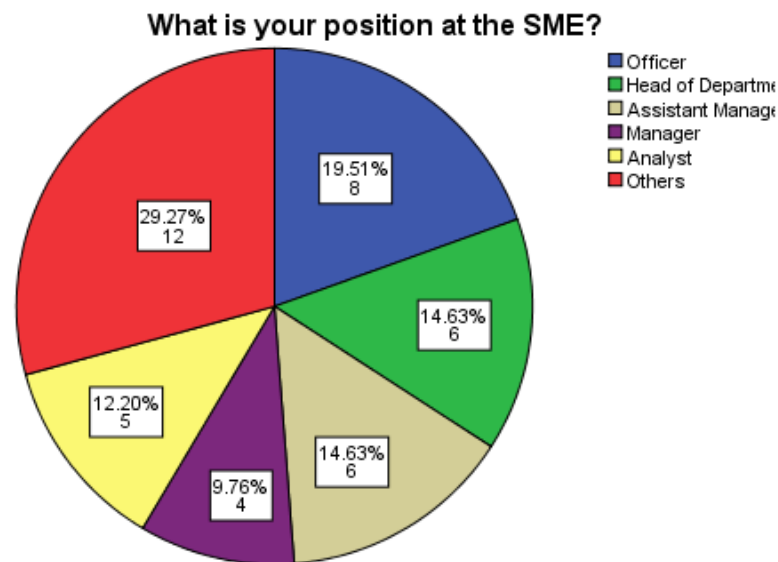


**Figure 4.4: Duration in SME**

#### 4.2.5 Position at the SME

The various entrepreneurs hold various positions in the respective SME ranging from Officers, to Analysts among others. From the data collected, the positions held are represented in the pie chart below. The percentages of the various positions held are as represented in the pie chart below as a representation of the entire population of entrepreneurs at the United States International University Africa.

The chart below indicates that 12(29.27%) persons hold other positions apart from those specified. On specifying the other positions, the majority indicated to be CEOs, founder while 3 did not indicate anything at all. From those in the categories specified, 8(19.51%) forming the majority, hold the position of officer, 6 hold the position of Head of department as well as the Assistant manager positions. The least are 4(9.76%) who hold the Manager's position.



**Figure 4.5: Position at SME**

#### 4.3 Relationship between Propensity to Take Risk and the Entrepreneur Intentions to Launch Timelines

In this study, the first objective is to establish if there exists any relationship of association or dependence between the entrepreneurs' propensity to take risk and their intentions to launch timelines for youth small and medium enterprises in entrepreneurship classes in the United States International University Africa. To check and establish on this relationship, various statistical analysis tests have been carried out.



### 4.3.1 Correlation between Propensity to Take Risk and Entrepreneur Intentions

The variables of Propensity and entrepreneurial intentions have been computed as composite variables and the results for the bivariate correlation carried out are as indicated in the table below. The results below indicate that a positive moderate significant correlation exists between the propensity to take risk and the entrepreneur intentions to launch timelines. ( $r=0.451$ ,  $p\text{-value} = 0.003$ ,  $N= 40$ )

**Table 4.1: Correlation of Propensity and Entrepreneurial Intentions**

		Propensity	Entrepreneurial Intentions
Propensity	Pearson Correlation	1	.451
	Sig. (2-tailed)		.003
	N	41	40
Entrepreneurial Intentions	Pearson Correlation	.451	1
	Sig. (2-tailed)	.003	
	N	40	43

### 4.3.2 Cross Tabulation of Propensity to Take Risk and Entrepreneurial Intentions

To establish the association and relationship that exists between the propensity to take risk by entrepreneurs and their entrepreneurial intentions, the following cross tabulations has been carried out. The variables have been used as representatives of the overall. Results, below indicate 2 persons of the respondents strongly agree that increased market is one of the reasons they chose to be entrepreneurs and also that financial capacity determines risk attitudes thus increasing uncertainty. In this cross tabulation, increased market has been chosen as an entrepreneurial intention variable while on the other hand, the financial capacity is chosen to represent the propensity to take risk by entrepreneurs.

**Table 4.2: Cross Tabulation of Propensity to Take Risk and Entrepreneurial Intentions**

Increased Market is one of the reasons you chose to be an entrepreneur ^ Financial capacity determines risk attitudes thus increasing uncertainty Crosstabulation

Count

		Financial capacity determines risk attitudes thus increasing uncertainty				Total
		Disagree	Neutral	Agree	Strongly Agree	
Increased Market is one of the reasons you chose to be an entrepreneur	Strongly Disagree	0	2	1	0	3
	Disagree	2	1	4	0	7
	Neutral	0	4	6	3	13
	Agree	1	3	8	2	14
	Strongly Agree	0	3	2	2	7
Total		3	13	21	7	44

### 4.3.3 Chi-Square Test of Independence of Propensity and the Entrepreneurial Intention

Further to establish on whether the entrepreneurial intentions and their propensity to take risk are in any case associated, the following Chi-Square test has been carried out as indicated by the table.

The test assumes the following null and alternative hypotheses.

$H_0$  : The Entrepreneurial intention is independent of the propensity to take risk

$H_1$  : The Entrepreneurial intention is independent of the propensity to take risk

The results below indicate that;  $\chi^2 (12) = 0.047$  thus less than 0.05 alpha value at which the test was carried out. In this regard, the null hypothesis is not rejected and in conclusion is that the propensity of the entrepreneurs to take risk and their entrepreneurial intentions have a statistically significant association. Thus the entrepreneurial intentions and the propensity to take risk are dependent.

**Table 4.3: Chi-Square Tests of Association**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.923 <sup>a</sup>	12	.047
Likelihood Ratio	13.547	12	.032
Linear-by-Linear Association	1.753	1	.019
N of Valid Cases	44		

a. 18 cells (90.0%) have expected count less than 5. The minimum expected count is .20.

#### 4.3.4 Regression Analysis

The regression analysis has been carried out to establish how propensity to take risk influences the entrepreneurial intentions. The following are the results for this regression analysis. From the table the value of R Square being 0.623 indicate that in this case, the propensity to take risk has a 62.3% variation influence on the entrepreneurial intentions.

**Table 4.4: Model Summary for Regression of Propensity to Take Risk**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.151 <sup>a</sup>	.623	.030	1.02640

a. Predictors: (Constant), Propensity

#### 4.3.5 ANOVA for Regression of Propensity to Take Risk

The model for this case with as assumption that it is significant is tested using the following ANOVA for this regression. In this case, the value of  $F(1, 38) = 0.883$  with a p-value of 0.003 indicate that this model is indeed statistically significant and thus the propensity to take risk has an influence on the entrepreneurial intentions.

**Table 4.5: ANOVA for Regression of Propensity to Take Risk**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.930	1	.930	.883	.043 <sup>b</sup>
	Residual	40.033	38	1.053		
	Total	40.963	39			

a. Dependent Variable: Entrepreneurial Intentions

b. Predictors: (Constant), Propensity

#### 4.3.6 Coefficient for the Regression of Propensity to Take Risk

The following table indicates the Coefficients for this regression. From this table the p-value is 0.043 for the propensity to take risk which is statistically significant and hence further affirming the influence of this factor on the intentions of entrepreneurs to launch their intentions within the United States International University Africa.

**Table 4.6: Coefficients for the Regression of Propensity to Take Risk**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.434	1.289		1.888	.047
	Propensity	.355	.378	.151	.939	.043

a. Dependent Variable: Entrepreneurial Intentions

#### 4.4 Relationship of Locus of Control to the Entrepreneur Intentions

The second key objective of this study was to establish if there exists any relationship of association between the locus of control and the entrepreneur intentions in launching business for youth in small and medium enterprises in entrepreneurship classes in the United States International University Africa. Various statistical procedures are used in this case to establish the existence of this relationship.

#### 4.4.1 Correlation between Locus of Control and the Entrepreneur Intentions

The table below indicates the correlation between the locus control and the entrepreneurial intentions. The table indicates that a positive moderate correlation that is statistically significant exists between the locus of control and the entrepreneurial intentions. This is as indicated by the Pearson Correlation value of 0.446 and the p-value of 0.02 which is less than 0.05.

**Table 4.7: Bivariate Correlation Analysis**

		Entrepreneurial Intentions	Locus of control
Entrepreneurial Intentions	Pearson Correlation	1	.446
	Sig. (2-tailed)		.020
	N	43	41
Locus of control	Pearson Correlation	.446	1
	Sig. (2-tailed)	.020	
	N	41	42

#### 4.4.2 Cross Tabulation of Locus of Control and the Entrepreneurial Intentions

The variables representing locus of control and the entrepreneurial intentions are so many, thus only two have been chosen from the collected data as a representation of the others in each category. The cross tabulation of the two variables above indicate that there are 12 of the 44 respondents that agree to the fact that growth in market availability and share is influenced by product of services uniqueness and to that the attitude towards green products and renewable sources influence business launching. The locus of control variable in this case, is the attitude towards green products and renewable sources influence business launching while on the other hand, the entrepreneurial intentions variable is the growth in market availability and share is influenced by product or services uniqueness. Further tests have been carried out on the same to check on the significance of association of the two variables. The results for the cross tabulation are as follows.

**Table 4.8: Cross Tabulation of Locus of Control and Entrepreneurial Intentions**

Growth in market availability and share is influenced by product or services uniqueness \* Attitude towards green products and renewable sources influence business launching Crosstabulation

Count		Attitude towards green products and renewable sources influence business launching					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Growth in market availability and share is influenced by product or services uniqueness	Strongly Disagree	0	1	0	0	1	2
	Disagree	0	0	0	1	0	1
	Neutral	0	0	0	2	1	3
	Agree	1	2	1	5	3	12
	Strongly Agree	0	2	3	12	9	26
Total		1	5	4	20	14	44

**4.4.3 Chi-Square Test of Association**

The following table indicate the test of association carried out to check on if there egoists any association between the entrepreneurial intentions and the locus of control. The table below indicates that the Pearson Chi-Square sig value is 0.08 which is less than 0.05. In this case, the results indicate that there is statistically significant association between the locus of control and the entrepreneurial intentions of the entrepreneurs in United States International University Africa.

**Table 4.9: Chi-Square Tests of Association**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.747 <sup>a</sup>	16	.008
Likelihood Ratio	10.461	16	.041
Linear-by-Linear Association	.505	1	.048
N of Valid Cases	44		

a. 22 cells (88.0%) have expected count less than 5. The minimum expected count is .02.

**4.4.4 Regression Analysis for Locus of Control and Entrepreneurial Intentions**

The following tables and results indicate the regression Analysis carried out for the locus of control and the entrepreneurial Intentions of launching projects within United States International University-Africa. The table below indicates that from the value of R Square

being 0.420, that a 42.0% variation in the entrepreneurial intentions is in this case explained by the locus of control. Also a moderate correlation exists between the locus of control and the entrepreneurial intentions; this is drawn from the value of R being 0.504.

**Table 4.10: Model Summary for Regression Analysis for the Locus of Control**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.504 <sup>a</sup>	.420	.017	1.26106

a. Predictors: (Constant), Locus of control

#### 4.4.5 ANOVA for Regression of the Locus of Control

The following table indicates the ANOVA for this regression Analysis. The F (1, 39) = 1.701 and a p-value of 0.002 indicate that the model in this case is significant and that indeed the locus of control has an influence on the variation of the entrepreneurial intentions.

**Table 4.11: ANOVA for Regression of the Locus of Control**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.706	1	2.706	1.701	.020 <sup>b</sup>
	Residual	62.021	39	1.590		
	Total	64.727	40			

a. Dependent Variable: Entrepreneurial Intentions

b. Predictors: (Constant), Locus of control

#### 4.4.6 Coefficients Table for Locus of Control Regression Analysis

The coefficient for the locus of control being 0.429 is in this case significant as from the p-value of 0.020, which is less than 0.05, the alpha value at which this test is carried out. Hence the locus of control contributes to how the entrepreneurs launch their projects and their intentions towards the same.

**Table 4.12: Coefficients Table for Locus of Control Regression Analysis**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.342	1.092		2.146	.038
Locus of control	.429	.329	.204	1.304	.020

a. Dependent Variable: Entrepreneurial Intentions

#### 4.5 The Extent of Proactive Personality and Its Relationship with the Entrepreneur Intentions

The study's third main objective was to establish to what extent the proactive personality relates to entrepreneur intentions in launching business for youth small and medium enterprises in entrepreneurship classes in United States International University Africa. Equally in order to establish the relationship, the various tests of correlation, Cross tabulation and the Chi-Square have been carried out.

##### 4.5.1 Bivariate Correlation between the Proactive personality and the Entrepreneurs Intentions

The bivariate correlation has been carried out as in the table below at the alpha value of significance being 0.05. The results indicated that there exists a statistically negative moderate correlation between the Entrepreneurial intentions and the proactive personality. This is as indicated by the Pearson Correlation value of -0.356 and the p-value of 0.019 which is less than 0.05.

**Table 4.13: Correlation of Proactive Personality and Entrepreneurs Intentions**

		Entrepreneurial Intentions	Proactive personality
Entrepreneurial Intentions	Pearson Correlation	1	-.356*
	Sig. (2-tailed)		.019
	N	43	43
Proactive personality	Pearson Correlation	-.356*	1
	Sig. (2-tailed)	.019	
	N	43	44

\*. Correlation is significant at the 0.05 level (2-tailed).



#### 4.5.2 Cross tabulation of Proactive personality and the Entrepreneur intentions.

It is also evident that in this case only two variables are used as representatives in the cross tabulation table below. The table below indicate that zero of the respondents strongly disagree to the two statements while 10 agree to the above two statements. The statements in this case used are profitability index is one of the reasons why one chose to be an entrepreneur while one representing the proactive personality is education and training to support skills and abilities are supported in the development of entrepreneurial intentions

**Table 4.14: Cross Tabulation of Proactive Personality and Entrepreneurial Intentions**

**Profitability index is one of the reasons why you chose to be an entrepreneur \* Education and training to support expertise in skills and abilities are supported in the development of entrepreneurial intentions Crosstabulation**

Count		Education and training to support expertise in skills and abilities are supported in the development of entrepreneurial intentions					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Profitability index is one of the reasons why you chose to be an entrepreneur	Strongly Disagree	0	0	0	0	1	1
	Disagree	0	1	0	2	0	3
	Neutral	0	2	0	6	0	8
	Agree	1	0	3	10	7	21
	Strongly Agree	0	2	2	5	1	10
Total		1	5	5	23	9	43

#### 4.5.3 Chi Square Test of Association between the Proactive Personality and the Entrepreneurial Intentions

The test to check on whether there exists any significant association between the proactive personality and entrepreneurial intentions has been carried out and results indicated as below. The results indicate that there exists a statistically significant association between the proactive personality and the entrepreneurial intentions in launching business for youth small and medium enterprises in entrepreneurship classes in United States International University Africa.

**Table 4.15: Chi-Square Tests of Association**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.666 <sup>a</sup>	16	.044
Likelihood Ratio	22.279	16	.013
Linear-by-Linear Association	.058	1	.010
N of Valid Cases	43		

#### 4.5.4 Regression Analysis for the Proactive Personality

For the proactive personality and its influence on the entrepreneurial intentions at the United States International University Africa the following regression analysis has been carried out as follows. From the table below the value of R Square being 0.270 indicates a 27% variation is in this case explained by the proactive personality of the entrepreneurs in this study. The table also indicates that the proactive personality and the entrepreneurial intentions have a moderate positive correlation of 0.506. The following is the ANOVA for this regression analysis.

**Table 4.16: Model Summary for the Proactive Personality**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.506 <sup>a</sup>	.270	.106	1.17445

a. Predictors: (Constant), proactive personality

#### 4.5.5 ANOVA for Proactive Personality Regression

For this regression with the assumption of it being significant, the ANOVA has a  $F(1,41) = 5.967$  and a p-value of 0.019 indicating that this model is statistically significant and thus valid for the prediction of the entrepreneurial intentions in regard to the proactive personality.

**Table 4.17: ANOVA for Proactive Personality Regression**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.231	1	8.231	5.967	.019 <sup>b</sup>
	Residual	56.552	41	1.379		
	Total	64.783	42			

a. Dependent Variable: Entrepreneurial Intentions

b. Predictors: (Constant), proactive personality

#### 4.5.6 Coefficient for the Proactive Personality Regression Analysis

From this coefficients' table with a p-value of 0.019, it indicates that indeed the proactive personality has a significant influence on the entrepreneurial intentions with a coefficient of 1.152. Thus an increase in the proactive propensity yields to an increase in the intentions by entrepreneurs to launch their projects at the USIU-Africa.

**Table 4.18: Coefficients for the Proactive Personality Regression Analysis**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.211	1.838		4.467	.000
	proactive personality	1.152	.471	.356	-2.443	.019

a. Dependent Variable: Entrepreneurial Intentions

#### 4.6 Chapter Summary

The chapter discussed the data analysis and presentation of factors inhibiting the success of business launching of entrepreneurial intentions in United States International University - Africa. From the study it is evident that 44 (88%) of the participants responded by filling in the questionnaires while 6(12%) did not effectively respond. The majority were female being 24 while the male is 20 of the sample of study. Thus, the female are the majorities who have ventured into the entrepreneurial activities from this population being 54.5% while the male is 45.5%.

Results above indicate that the highest number of entrepreneurs are aged between 31 to 40 years with 21 (47.7) of the respondents being in this category. Chi-square tests and coefficient regression of the variables were carried out. As a result of the coefficient of the variables the results indicated that there are constants of 8.211, 2.342, 2.434 for proactive personality, locus of control and propensity to risk respectively which means that despite the presences of other factors the entrepreneurs agree they will launch their businesses. Also, the increase in the entrepreneurs' intentions is experienced as a result of the increase in the Propensity and the level of control, in the same way, the proactive personality increases the entrepreneurial intentions of launching timelines. Chapter five concluded and recommended as per the results found in this chapter.

## **CHAPTER FIVE**

### **5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents a summary of the findings, conclusions and recommendations for practice and further research on the problem. The main objective of this study was to determine the factors inhibiting the success of entrepreneurial intentions on launching business. A case study of United States International University - Africa Nairobi, entrepreneurship class 2019

#### **5.2 Summary**

The study sought to determine the factors inhibiting the success of entrepreneurial intentions on launching businesses. A case study of entrepreneurship class of 2019 in United States International University - Africa is the focus. The study was guided by the following research questions:

What extent does propensity to take risk relate to entrepreneur intentions to launch timelines for youth small and medium enterprises in entrepreneurship classes in the United States International University-Africa. What extent does the locus of control relate to entrepreneur intentions in launching business for youth small and medium enterprises in entrepreneurship classes in the United States International University-Africa. What extent does proactive personality relate to entrepreneur intentions in launching business for youth small and medium enterprises in entrepreneurship classes in United States International University-Africa.

This study adopted descriptive survey research design and its findings were used to generalize the factors inhibiting the success of entrepreneurial intentions on launching business. Descriptive research was advantageous because it involved observing and describing the behavior of a subject without influencing it in any way. The population study population consisted of 50 members who are officially registered as entrepreneurship students in United States International University - Africa in 2019 as the study population.

Data collection method that will be employed is the use of questionnaires schedules. The questionnaires have both structured and unstructured questions. The data from the completed questionnaires was cleaned, re-coded and entered into the computer for analysis to produce frequency tables and the necessary measures of variances for interpretation. Descriptive tables were used to display distribution of population in relation to demographic factors. The data analyzed for descriptive data (frequencies and percentages). SPSS was used to analyze data through determining the correlation and regression analysis of the variables.

The results indicate the dependent variable; entrepreneurial intentions have significant relationship with all other factors. From the regression model, constants of 8.211, 2.342, 2.434 for proactive personality, locus of control and propensity to risk respectively indicates that regardless of the existence of other factors, the entrepreneur agrees to launch their entrepreneurial intention. The propensity to take risk has a positive relationship of 0.355 to entrepreneurial intention thus implying that it increases the results to the increase in levels and chances of entrepreneur at the United States International University-Africa in launching their intentions. The researcher also found that positive relationship exists between the entrepreneurial intentions and the locus of control with a coefficient of 0.429. The results also indicate that there is positive relationship that exists between the entrepreneurial intentions to launch timelines and the proactive personality of the entrepreneurs with a coefficient of 1.152 thus; it results in a great increase in the entrepreneurial intentions of the United States International University-Africa. The results followed multiple regression test have been run to check on how much each factor contributes towards the entrepreneurial intentions to launch timelines by the entrepreneurs at the United States International University-Africa. The value of  $R = 0.424$ , indicate that there is moderate correlation between the entrepreneurial intentions and the other three predictor variables.

### **5.3 Discussion**

This section presents the findings of the study as per the research objectives of the study. The study established that entrepreneurial intentions factors such as increased market share, growth in market share, lack of proper planning in establishing a market share, lack of business commitment, profitability index based on the sole reason to start a business, level of creativity and innovation in business projections and return on investments in a

business indicates that there was a relationship between these factors. There was a significant relationship between propensity to risks, locus of control and proactive personality and entrepreneurship intentions.

### **5.3.1 Relationship between Propensity to Take Risk and the Entrepreneur Intentions to Launch Business Timelines**

The research study in the multiple regression indicated that there is a positive significant relationship between the propensity to take risk with a coefficient of 0.355 (X-intercept) and the (Y intercept) entrepreneur intentions. This indicates that risk-taking propensity as an element of the personal properties of entrepreneurs, may be crucial for the decision to enter an entrepreneurship career or to find a new startup firm and for the small firms' development and success. Despite the widely researched relationship between one's risk-taking propensity for intentions to enter entrepreneurship and actual entries in the form of new firm startups. The researcher assumed that many students might fear the unknown based on the level of competency, financial capacity and the role models in the field they are planning to invest into.

The research found that propensities to take risk are significantly correlated with entrepreneurial intention on launching timelines. The findings agree with Luthans *et.al* (2015) who indicated that factors such as financial capacity, creativity or innovation and effective competence in performance evaluation has greatly impacted the level of new businesses launching among entrepreneurs. On the same vein, lack of customized training and awareness of the business also increases the fear of unknown. The researcher assumed that this mostly occurs when an entrepreneur does not have support and proper guidance in achieving their short- and long-term goals. Also, the study established that as an entrepreneur the level of risk attitude represents the projection on market share as well as the finances one is willing to invest in.

From the results 4 of the entrepreneurship college students indicated that threat has been traditionally considered as something that slows entrepreneurship so that the perceptions over capacity losses derived from enterprise activity could negatively influence entrepreneurial. This manner that chance can be perceived with the aid of marketers not

best as a risk but also as a possibility (associated with the capability incomes of the new business).

Therefore, this research took on a traditional method and taken into consideration that the perception of danger has a terrible influence on entrepreneurial behaviors. The studies examine validated that chance taking, and the perceptions of risk are in fact multi-dimensional, depend of the context and are specific to certain dominions. This has the same opinion with Vasumathi *et al.* (2016) who indicate that entrepreneurship generates excessive degrees of pressure in individuals that face the following exclusive danger dimensions: financial, professional, time and fitness (mental and physical hazard which relies upon on the mindset of the entrepreneur.

From the results 51% of the scholars indicated that hazard taking propensity is one of several unique enduring character traits trends that impacts their new enterprise launching based totally on the inclination to take or avoid risks. Risk-taking orientation has been seemed as a function of the system of entrepreneurship and the entrepreneur for a long time, but regardless of this truth, studies (. Brockhaus, 2018) found that entrepreneurs tend to be mild threat takers. Risk-taking propensity can be defined as a person's orientation to take dangers. This manner that hazard-taking propensity couldn't differentiate marketers from other human beings so threat-taking propensity may not be seemed as a distinguishing characteristic of entrepreneurs. This finding are in step with Noel (2015) who determined, for example, that an entrepreneur would possibly have a tendency to be revolutionary, creative, dynamic, flexible, chance-taking, and oriented closer to growth and that threat-taking propensity can relate to commercial enterprise startups. Risk-taking propensity of the selection maker is a key determinant of risky conduct.

### **5.3.2 Relationship of Locus of Control to the Entrepreneur Intentions**

The researcher found that the locus of control had a coefficient of 0.429 as (X-intercept) which had a positive relationship with (Y-intercept) entrepreneurial intention. The study established that locus of control was highly influenced by entrepreneurial intentions as per the entrepreneurship classes in the United States International University - Africa with a significant regression relationship. The researcher found that entrepreneurs are affected by external factors that they do not have control over or rather they have a minimal level



of control. From the results, 12 of the 44 respondents agree to the fact that growth in market availability and share is influenced by product of services uniqueness and to that the attitude towards green products and renewable sources influence business launching.

From the study results, the findings indicated that factors such as different attitudes by consumers towards certain products or service uniqueness, access to green products and abilities and skills to produce renewable sources influence the level of business launching among the entrepreneurs. Also, the product variation trends, and their uniqueness indicated that entrepreneurs must be highly flexible to gain locus of control to meet customer demands in their entrepreneurial intentions. Despite, however, the increase in observe applications that sell the elegance of entrepreneurship, as an alternative for the students' profession preference, and the position higher schooling can play to this give up, it stays doubtful which are the factors that absolutely have an impact on an character's (in our case a student's) propensity to become an entrepreneur.

In agreement with the results findings Hsiao *et al* (2015) indicated that locus of control had a fantastic huge correlation, significant have an impact on entrepreneurship amongst managers of all stages. This approach that locus of manage will also be viewed as a predictor of the tendency for people to exert lively manage over the surroundings. It is vital to be aware that, they have a look at shows that 'no longer best do internals understand more manage, however they may certainly seek situations in which manage is feasible. Thus, locus of control is believed to mirror how a person could generally tend to act on the task and in the social surroundings, or greater generally, in existence. In brief, internals locus of control ought to more actively attempt to maintain business running than externals locus of control

From the consequences, the have a look at additionally shows that individuals with locus of control can create and form their paintings stories in a manner this is maximum favorable to them. Further the observe observed that the competency ranges in a certain enterprise gave the students an excessive stage of locus of control since they can be able to launch their organizations with the wanted necessities. In agreement with the outcomes Neubaum (2017) have explicitly or implicitly indicated that locus of manipulate proximally predicts humans' behavioral tendency to exert manipulate at work. Students who are trying to find entrepreneurial careers are excessive in motivation success, are

privity to the non-secular and cultural practices of the network involved take moderate dangers, have more inclination and ability to innovate and have inner (in place of outside) locus of control.

The study indicated that locus of manage relationship with entrepreneurial purpose as factors influencing commercial enterprise launching has a fine coefficient which means that it has a statistically large impact on the entrepreneurs' intentions of launching enterprise timelines for the United States International University-Africa entrepreneurship class. This manner that in most cases there are factors which they do no longer have manipulated over. For instance, the cultural ideals and spirituality of the goal clients. On the equal vein, they can as nicely study on one of kind entrepreneurial abilities that could affect their choices in developing new ventures.

Further, the consequences indicated that students recognize creativity as looking at and to take a bonus of the new way of doing a business. This is a critical character characteristic which assist in developing locus of manage for an entrepreneur. This look at indicated that entrepreneur students are ready to enhance their locus of manage in business and their innovativeness by way of having a clear vision of the connection between locus of manipulate and innovativeness for marketers and employees. The vital factor of entrepreneurship is innovativeness and is taken into consideration as one of the most important entrepreneurial traits. This study observed out that 60% of the scholars believed that innovation become the principle issue that hindered their business launching. The increase and improvement of markets are more suitable through advanced technology which might restrict the investment growth of an idea of a brand-new entrepreneur.

In settlement with the findings, Neubaum (2017) indicated that on the identical time, excessive locus of control based totally on social and personal attributes may be difficult. Self-employment includes appreciably more freedom and self-discipline, this means that that if the business is in step with the external elements which includes faith, cultural beliefs and community's private attributes the commercial enterprise, is more likely to thrive. This is in contrary with setting up a commercial enterprise which does now not rhyme with the cultural ideals of the community worried. More so, there is handiest courting among inner locus of control and enterprise success in entrepreneurial intentions amongst self-hired.

From the findings, locus of control involves the perception of getting non-public manipulate and no longer being on the mercy of outside circumstances or destiny. It relates to issues of duty and blame. People with a high inner locus of control tend to be greater chronic, to reply more to undertaking, and to see themselves as a supply of their success. Internal locus of control is related to higher levels of work pride and trendy fitness. Locus of control turned into validated to account to a huge part of the variance in paintings pleasure. Furthermore, the research observed fine institutions between locus of control and emotional resilience, hazard-tolerance, in addition to attitude toward economic potential,

### **5.3.3 The Extent of Proactive Personality and Its Relationship with the Entrepreneur Intentions**

The researcher found that through multiple regressions, there is a positive relationship between proactive personality (X-intercept) which has a coefficient of 1.152 and (Y-intercept) entrepreneurial intentions. The study found that proactive personality relates negatively with entrepreneurial intentions among the entrepreneurship classes in United States International University - Africa. Factors such as projections on profitability index as an entrepreneurial intention were established to be the most important reason why entrepreneurs tend to be proactive. The entrepreneurial intention model has confirmed that individual characteristics like age, employment status and environmental factors were significantly associated with entrepreneurial intention. Some of the proactive personalities are influenced by education level and support skills and abilities.

From the results above indicate that the highest number of entrepreneurs are aged between 31 to 40 years with 21(47.7) of the respondents being in this category. Those aged between 41 and 50 years are the least with only 3 (6.8%) of the respondents being under this category. On the other hand, 20 of the respondents are aged between 18 to 30 years thus translating to 45.45% of the population of entrepreneurs at United States International University - Africa. This means that the level of work engagement might be a risk because in most instances the age bracket of between 31-40 are likely to employed or rather have a busy schedule.

This means that they might lack entrepreneurial work engagement based on their level of commitments. Proactive personality as a variable has a negative coefficient which means that the variable has the negatively influence on the entrepreneurs' intentions of launching timelines at the United States International University-Africa. Also, from the results, 10 of the entrepreneurship class agreed with the statements in this case that profitability index is one of the reasons why one chose to be an entrepreneur.

One respondent represented that proactive personality is influenced by education and training to support skills and abilities which are backed up in the development of entrepreneurial intentions. In agreement with the findings, (Welter, 2017) added that the level of creativity and innovation also influenced the proactive personality which was found to have a great impact on profitability index. This tends to influence the level of engagement of the entrepreneurs in launching their business.

On the need for achievement, the students demonstrated their desire to achieve their goals in various ways. From the study, students generally considered starting their own business after leaving university and were willing to look for more opportunities on the job assigned to them. The results show further that, students would start their own business if taught how to run businesses. The students felt that they had adequate leadership skills and mental maturity to engage in entrepreneurship and liked to own their successful businesses than being salaried and desired to make money.

This shows that students had on average need to achieve some entrepreneurial goals. The findings agree with the findings of Ferreira *et al.* (2017) that need for achievement, self-confidence, and personal attitude affect entrepreneurial intention among master's students. Also, the findings concur with those of Miner, Smith and Bracker, (2018) who found that need for achievement was highly portrayed in company founders when compared to the company managers. This shows that need for achievement significantly affects entrepreneurial intentions.

In contrast with the research findings, Kristiansen & Indarti (2014) has shown that individual difference factors such as prior employment experience, education and parental role models influence entrepreneurial intention. Similarly, previous employment has been associated with new venture creation (Lee & Tsang, 2015). In addition, other researchers

have reported that work experience has a positive impact on entrepreneurial intention (Tkachev & Kolvereid, 2016). Starting and running a business requires some level of experience which comes hand in hand with work engagement.

One way an individual can accumulate this type of reveal in or publicity is through work in that paintings will reveal the character to the opportunity of knowing the risks and issues related to new mission formation and people management (Welter, 2017). Thus, people who are running get to learn the factors involved in commercial enterprise and keep in mind establishing a new business enterprise as a natural career option. For example, it's been suggested that lack of knowledge including lack of control, enterprise, and accountancy and management understanding were limitations to entrepreneurial intentions (Pruett *et al.*, 2016).

From the outcomes, proactive character is visible as the important antecedent of entrepreneurial alertness to opportunities because possibility identification is an essential issue of man or woman initiative. As a survey that researched a various institution grasp's pupil from USIU- Africa entrepreneurship elegance 2019, the study have shown that entrepreneurial alertness partially mediates the relationship among a proactive character and a boundless career mind-set, and confirming that character developments, including proactive character, are linked to entrepreneurial alertness in profitability index.

Naturally, it dawns on students to start preparing for the job market or employment when they get to final year of their university education or their years in post graduate education. In view of this, the study indicates that it is expected that student job applications will weaken the relationship between proactive personality and entrepreneurial intentions. The students nearing completing their final year are more likely to manifest proactive tendencies such as initiative taking, identifying job opportunities etc. as well as thinking about the prospects of entering the job market more than initiating a business ownership. This means that the social and financial support might be a crucial requirement in identifying such opportunities. Eventually such factors influence the level of proactive personality displayed by the entrepreneur in need to launch his or her business.

The outcome of this study has a negative significant applied value because it brings to fore what other organizations can benefit from by leveraging on those exhibiting proactive tendencies. Most entrepreneur students tend to focus on job hunting than starting their own businesses based on their level of proactive personality. Evidently, proactive individuals have the energy, focus and enthusiasm to become successful employees and therefore if the right entrepreneurial environment is created, such individuals can create and sustain businesses. Against this backdrop, university students must learn and engage in proactive behaviors so that they would be able to take initiatives such as starting their own businesses or generating business ideas.

## **5.4 Conclusion**

### **5.4.1 Propensity to Take Risk**

From the results, propensity to take risk had a positive coefficient of 0.355 which implied that there are increased chances for entrepreneurs from United States International University-Africa masters of entrepreneurship class to launch businesses. This means that the students have a high propensity to take risk which is likely to enable them to venture into their business. If there is an increase in propensity to take risk, there could be an evident increase in business idea generation and implementation. This is because propensity to take risk might increase based on the level of development of skills and abilities to cope with different business hazards

### **5.4.2 Locus of Control**

From the results, locus of control had a positive coefficient of 0.429 indicating positive relationship with entrepreneurial intentions. This means that an increase in locus of control is likely to increase the willingness of entrepreneurs from United States International University-Africa to launch their business intentions. Locus of control based on their internal factors self-confidence, personality, innovativeness and social factors such as religion might increase their levels of investment and launching of their entrepreneurial intentions. This is because, locus of control might increase based on the level of motivation and alignment with social and cultural values of the targeted market.

### **5.4.3 Proactive Personality**

From the results, proactive personality had a positive coefficient of 1.152 indicating a negative relationship with entrepreneurial intentions. This means that proactive personality should be as minimal as possible so that it does not result into a decrease in entrepreneurial intentions among entrepreneurs in United States International University-Africa. This could be as a result of increase in search of employment as a way of displaying proactive personality instead of making a decision to launch a business timeline. In this case proactive personality is as a result of commitment to other ventures other than entrepreneurial intentions. These variables inhibiting the success of entrepreneurial intentions are based on financial capacity, level of experience in an entrepreneurial venture and training to support expertise in skills and abilities

## **5.5 Recommendations**

### **5.5.1 Recommendations for Improvement**

#### **5.5.1.1 Relationship between Propensity to Take Risk and the Entrepreneur Intentions to Launch Business Timelines**

This study found that financial capacity was one of the reasons why entrepreneurs find it hard to launch a business. The study therefore recommends that financial institutions should reduce their requirements such as collateral when offering credits to university students. In addition, the Government of Kenya should ensure that university student's access credit to start or boost their business. This can be done by increasing the accessibility of the youth fund.

Entrepreneurs should find opportunities to utilize the use of technology which can intensify the commercial opportunities. This might also increase the rate of creativity which can eventually assist in increasing propensity to take risk. Through education and training the entrepreneurs should be able to incase their abilities and skills in developing their entrepreneurial skills based on their capacity in handling propensity to take risk. For instance, when undertaking business insurance policies. The study therefore recommends the entrepreneurs to able to remain alert and fully committed in their ventures depending with the level of certainty of the business to succeed.

Also, the entrepreneurs should be able to seek consultancy so that they can avoid financial mistakes in their investments which can lead to loss in their business. This should be provided through relevant government ministries especially when taking loans and youth funds on the best way to invest the money without negative risking involvement.

#### **5.5.1.2 Relationship of Locus of Control to the Entrepreneur Intentions**

The study has established that Locus of control has a direct positive correlation with entrepreneurship master's students in United States International University-Africa perceptions on the effectiveness of performance appraisal in the region. It is therefore recommended that organizations intending to improve performance appraisal in their organizations should take steps to help their entrepreneurs develop the right mental attitude and a strong internal locus of control. This can be achieved in a number of ways self-awareness programs must be given to employees to develop right mental attitude towards practices in the organization. Training must also be given to employees to update their knowledge and encourage them to appreciate practices in the organization.

Organizations can also assist their employees enhance and apprehend how their locus of manipulate might also shape their perceptions of organizational practices. Personal mentoring of personnel, when you consider that locus of control can be altered, can function a critical device to a healthy notion toward corporation practices as an example performance appraisal. Employees who carry out incredibly in their appraisals should be identified, recommended and rewarded thus. This will encourage a repeat of the same conduct and additionally others to emulate those personnel. However, in situations where these efforts are omitted, it will be a disincentive to such people.

Also, Universities are inside the great role to provide the training and reports most useful for college students searching into an entrepreneurial profession, and plenty of establishments in the growing international have begun at universities. This have a look at recommends that United States International University - Africa in addition to different parts of Kenya ought to have a stronger focus at the abilities required by using entrepreneurs within the developing international via ensuring that entrepreneurship schooling includes the economic and social impact of technology networking and



mentorship via a success entrepreneur. Some of the business education includes, accounting, advertising and finance and exposure to capacity investors and partners.

This study recommends that the government of Kenya in addition to non-governmental companies ought to supply students the primary foundation to get facts about startup businesses. The marketplace gets more access to capital and practical for their business ideas. This will rather impact their presence and manipulate of the market with the intention to have an impact on their fulfillment in investing in their entrepreneurial ventures.

### **5.5.1.3 The Extent of Proactive Personality and Its Relationship with the Entrepreneur Intentions**

The study results indicated that proactive personality as a variable has a coefficient of 1.152 which means that the variable has a negative influence on the entrepreneurs' intentions of launching timelines at the United States International University-Africa. This means that students are always on job hunt immediately they finish their master's business education instead of following their entrepreneurial instincts based on their proactive personality. Due to low entrepreneurial intentions due to the risks involved, attitudes and perception and financial capacity, master's students indicated that their proactive personality is negatively influenced.

On the other hand, it is important to note that globally, entrepreneurship is considered as feasible substitute of employment among business students despite their low proactive personality. There are several explanations for this view. Firstly, there are more chances of entrepreneurial success for educated personnel than others. Academia and practitioners highlighted the role of education in enterprise development. Secondly, in highly competitive era, organizational structural changes threaten the lucre of job benefits in large size organizations therefore, creating the demand for entrepreneurs than employees. Therefore, it's far encouraged that the government of Kenya as well as universities in Kenya should establish commercial enterprise encouragement center in which kids and novices meet to discover opportunities, install the ideas and discuss their mutual preference in starting a brand-new enterprise task. It is also an area for sharing tales, getting inspirations and looking for enterprise companions or locating human sources. Furthermore, the authorities need to arrange greater begin-up workshops and competitions or leagues at country wide degree if you want to entice investors and

benefactors to convert thoughts as well as improvements from paper into reality. This will assist in knowledge the market as well as gaining locus of control thus improving their proactive character based totally on product or service area of expertise as endorsed in his market.

### **5.5.2 Recommendations for Further Research**

This study was limited to entrepreneurial class in United States International University – Africa entrepreneurship class of 2019, and hence its findings cannot be generalized to other parts of Kenya. This study therefore suggests similar studies to cover other parts of the county. In addition, the study was limited to factors inhibiting the success of entrepreneurial intentions and hence did not look at the performance and growth of university students SMES. This study suggests further studies on the factors affecting University students' businesses where the case study would remain to be United States International University-Africa entrepreneurship master's class.

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**APPENDICES**  
**APPENDIX I: LETTER OF INTRODUCTION**



24th June 2019

**To Whom It May Concern**

**RESEARCH PROJECT BY JACQUELINE MWIHAKI NJUGUNA- STUDENT ID 656288**

The bearer of this letter is a student at the United States International University-Africa pursuing a Master of Business Administration.

As part of the program, she is required to undertake a research project on **“Factors inhibiting the Success of Entrepreneurial Intentions on Launching a Business”** This requires her to collect data and information from various relevant institutions.

Kindly assist by enabling her access data, information and contact with respondents who can complete her questionnaires. I assure you that the information provided will be treated with the utmost confidentiality.

Should you have any queries regarding the student research please feel free to contact me on my email at [tlinge@usiu.ac.ke](mailto:tlinge@usiu.ac.ke) or Tel: +254 730116419.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Tlinge", is positioned below the text "Yours faithfully".

Dr. Teresia Linge  
Associate Dean, Chandaria School of Business

## APPENDIX II: RESEARCH QUESTIONNAIRE

This questionnaire requires the respondents to provide information on the topic. This study therefore sought to determine the factors inhibiting the success of entrepreneurial intentions on launching a business. The Information is purposely intended for academic use only and will not be divulged to any other person.

Kindly complete all the sections hereunder. Note that all the Questions herein are interrelated and are equally important for the study.

### SECTION A: Demographic Information

Name of the respondent (Optional).....

What is your gender?

Female

Male

What is your age bracket?

18-30

31-40

41-50

Above 50

What is the duration you have been in the SME?

1-3year  4- 6years  7-10years  10years and above

Kindly answer all the questions by ticking in the boxes or writing on the spaces provided.

Others please specify

.....  
.....

What is your position at the SME?

Officer  Head of Department  Assistant Manager  Manager  Analyst

Other (Specify).....

**SECTION B: To what extent does propensity to take risk impact entrepreneurs intentions to launch timelines**

*Directions: Please indicate/Place an "X" mark in the box of your answer. The scale is: (1) Strongly Disagree, (2) Disagree, (3) Neutral (4) Agree (5) Strongly Agree*

<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
I implement new business ideas or improve the business because I believe in learning even if I fail					
Financial capacity determines risk attitudes thus increasing uncertainty					
There is no ability to diversify away risks for instance paying for insurance					
There is minimal freedom to exercise new opportunities					
The SME culture lack organization and direction because of lack of motivation and committed members					
There is maximum support and guidance to set achievable goals from the team and relevant authorities					
Effective competence in performance evaluation					
Lack of customized training on how to sufficiently use scarce resources in managing a start up					
Commercial awareness on the pros and cons of different business ventures					

**SECTION C: How does the locus of control impact entrepreneur’s intentions to launch a business**

*Directions: Please indicate/Place an "X" mark in the box of your answer. The scale is: (1) Strongly Disagree, (2) Disagree, (3) Neutral (4) Agree (5) Strongly Agree*

<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Health consciousness in the society such as drinking, smoking, safe driving influence business launching and entrepreneurial intentions					
Attitude towards green products and renewable sources influence business launching					
Community trends such as fashion, taboo and myths influence entrepreneurial intentions					
There is lack of creative minds in the business					
Most of the SME members are dependable and possess personal integrity					
Compassionate SME members are likely to influence each other positively in establishing a business.					
Religious culture such as Eating habits, worship days and holidays inhibit entrepreneurial intentions					
Personal Beliefs in God influences the urge to start a business because of hope and faith					
Spirituality brings about togetherness thus influencing entrepreneurial intentions positively					

**SECTION D: To What Extent Does Proactive Personality Impact Entrepreneur Intentions in Launching Business**

*Directions: Please indicate/Place an "X" mark in the box of your answer. The scale is: (1) Strongly Disagree, (2) Disagree, (3) Neutral (4) Agree (5) Strongly Agree*

<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
The use of technology entrepreneurship has intensified commercial opportunities					
Lack of creative discovery and inventions leads to unmet needs					
Education and training to support expertise in skills and abilities are supported in the development of entrepreneurial intention					
Gender influences the support from social structures in relation to entrepreneurial intentions					
Parents, spouses or friends do not support the entrepreneurial intentions which are not in their line of beliefs or understanding					
Perceived corruption as an effect of social norm inhibits entrepreneurial intentions					
Some of the SME members are not fully committed to entrepreneurial intentions because they are employed or committed elsewhere, and self-employment is unpredictable					
High level of perceived desirability influences the level of engagement of the SME in entrepreneurial intentions.					
The level of uncertainty of the outcome in the business ventures influence the level of engagement					

**Thank you for Participating in This Study**

# APPENDIX III: NACOSTI PERMIT

**THE SCIENCE, TECHNOLOGY AND INNOVATION ACT, 2013**  
**The Grant of Research Licenses is guided by the Science, Technology and Innovation (Research Licensing) Regulations, 2014.**

**CONDITIONS**


1. The License is valid for the proposed research, location and specified period.
2. The License and any rights thereunder are non-transferable.
3. The Licensee shall inform the County Governor before commencement of the research.
4. Excavation, filming and collection of specimens are subject to further necessary clearance from relevant Government Agencies.
5. The License does not give authority to transfer research materials.
6. NACOSTI may monitor and evaluate the licensed research project.
7. The Licensee shall submit one hard copy and upload a soft copy of their final report within one year of completion of the research.
8. NACOSTI reserves the right to modify the conditions of the License including cancellation without prior notice.

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**RESEARCH LICENSE**  
Serial No. A 25941  
**CONDITIONS: see back page**

**THIS IS TO CERTIFY THAT:**  
**MS. JACQUELINE MWIHAKI NJUGUNA**  
**of UNITED STATES INTERNATIONAL UNIVERSITY, AFRICA, 16805-620 NAIROBI, has been permitted to conduct research in Nairobi County**  
**on the topic: FACTORS INHIBITING THE SUCCESS OF ENTREPRENEURIAL INTENTIONS ON LAUNCHING A BUSINESS.**  
**for the period ending: 23rd July, 2020**

**Permit No : NACOSTI/P/19/78590/31740**  
**Date Of Issue : 24th July, 2019**  
**Fee Received :Ksh 1000**



**Patent**  
**Director General**  
**National Commission for Science, Technology & Innovation**