Research Article ( Araştırma makalesi)

Factors Influencing Entrepreneurial Intentions of Undergraduate Agricultural Students in Nigeria

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Abstract: Nigeria is an agrarian economy and the recognition of entrepreneurship as a mover of national development has made it to gain popularity in her educational system in recent years. This study focused on the factors influencing Entrepreneurial Intentions (EIs) of undergraduate agricultural students in Nigeria using Theory of Planned Behavior (TPB). Well structured, pre-tested questionnaire was used to gather relevant information from final year undergraduate agricultural students in private, state and federal government owned universities in Nigeria using multistage sampling techniques. The data were analysed with descriptive statistics, factor analysis and multiple regression model. The results showed that personal attitude towards entrepreneurship, subjective norms and perceived educational support were the main factors influencing students’ EI positively at (P<0.01). Arising from this revelation, the study recommended the development of positive attitude towards becoming entrepreneurs as well as enhancement of educational facilities in the universities to improve students’ EI.

Nijerya’da Ziraat Fakültesi Öğrencilerinin Girişimciliklerini Etkileyen Faktörler

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Girişimcilik, Tarım, Faktör analizi, Üniversite öğrencileri, Nijerya

1. Introduction

Nigeria is an agrarian economy and the agricultural sector contributed significantly to the development of Nigeria up till the oil boom era of late 1970’s. The oil boom then led to mass migration of youths from rural areas to urban centers in search of white collar jobs that were not in existence. This led to increase in high rate of youth unemployment in the country. The agricultural sector remains the nation’s leading non-oil economic sector. The sector consists of wide range of sub-sectors which provide opportunities for a huge number of different enterprises. This accounted for a huge number of the labour force (70%) being engaged in various agricultural enterprises (National Bureau of Statistics (NBS) 2019; Food and Agricultural Organization (FAO), 2019). Of the proportion of labour force in agriculture, about 72% of them has no formal education and over 80% are subsistence farmers. Nigeria agriculture is facing an ageing workforce with the negative consequence on the contribution of agriculture to the nation’s economic development. It will be difficult for the aged persons, which are the majority in the nation’s agricultural sector to meet the food needs of the ever increasing population as well as national development.

Transforming the prospects that abound in agriculture into national food security and economic development requires entrepreneurs who are the coordinators of other factors of production. An entrepreneur refers to a person who identifies opportunities and turn it into business. Recently, entrepreneurship remains a topical issue as a result of its significance in the economic growth and development of developing and developed nations (Karimi et al., 2016). It serves as source of innovation and creativity which result in increased productivity. It is a tool through which unemployment can be reduced most especially in developing nations, Nigeria inclusive. The realization by Nigerian government of youths as the important source of emerging entrepreneurship led to the introduction of entrepreneurship training into the curriculum of senior secondary school, post secondary school and university. Also, the recognition of the importance of entrepreneurship in the development of agricultural enterprises led to the introduction of entrepreneurship into the curriculum of agricultural courses in higher institutions in the country. In addition to introduction of entrepreneurial courses to the curriculum, the students in agricultural courses in universities are also made to undergo a 6 months industrial training in the penultimate year of their programs. These are expected to enhance the entrepreneurial skills of students such that upon graduation, they will become self-employed in various agricultural enterprises. Also, it will lead to reduction in the high rate of unemployment, thus, contributing to economic development of the country.

However, despite these, not many youths have been attracted into agricultural enterprises and a number of factors could be responsible for this. First, insufficient access to knowledge, information and education, followed by inadequate access to financial services and lastly, limited involvement in policy dialogue among others (FAO, 2014). Thus, it becomes imperative to identify the factors influencing undergraduate students’ intentions to become self-employed in agricultural enterprises. Previous studies on undergraduate students’ entrepreneurial intentions (Waguey, 2014; Shiri et al., 2015; Aman et al., 2017) are not on agricultural students. The few ones on agricultural undergraduate university students are not from Nigeria (Pouratashi, 2014; Yua and Wang, 2019).

It is worthy of note that no two nations and societies are exact replicas of one another, and factors shaping intentions differ from one individual to another. Therefore, it will not be appropriate to envisage that the impact of a factor on EI in one location will of necessity be the same in another. This may be responsible for the mixed results from volume of studies that focused on EI. This implies that there is no clear connection among the results produced by EI studies. This underlines the importance of EI studies that focused on a specific population in a given location. Hence, this research examined the EI of agricultural undergraduate students in Nigeria Universities.

Theoretical framework, Literature review and hypothesis

Theoretical framework

The focus of this study is to determine the factors influencing undergraduate agricultural students’ intentions to become entrepreneurs. Most of the previous related studies (Linan, 2009; Ambad
and Ag Damit, 2016) opined that entrepreneurial intention can be studied using TPB. Hence, this study make use of TPB model as shown in Figure 1.

Figure 1. Theoretical framework of factors influencing entrepreneurial intentions of agricultural students

**Literature review and hypothesis**

**Entrepreneurial Intentions**

Entrepreneurial intention refers to an individual’s approaches to the consequences of the resulting actions and his self-efficacy, opinion of desirability and practicability to act upon opportunities. It embroils persuasion, strong determination as well as ability to be independent. The TPB by Ajzen submits that intention is directly linked with behaviour. The fundamental of the TPB is the indication that intention centers on three theoretically autonomous factors. The factors are: personal attitude, perceived behavioural control and perceived subjective norms. Most studies on EI also included perceived educational support and perceived societal support as factors influencing EI (Politis et al., 2012; Denanyoh et al., 2015). Although EI is believed to be an area that has been broadly explored, some researchers reason that there is still dearth of study on EI, especially in developing countries, including Nigeria where matters surrounding entrepreneurship are yet to be resolved.

**Personal attitude and entrepreneurial intentions**

Attitude denotes the way a person evaluate and compare an object against the available opportunities based on the person’s thought, belief, and emotions about the object. Favourable attitude of individuals may serve as catalyst that will strengthen their entrepreneurial intentions. Evidence showed that positive association existed between personal attitude and EIs (Ebewo et al., 2017). The studies that reported positive relationship between personal attitude and EIs were conducted in developed and developing countries and among university students across various fields of study. However, the magnitudes of association reported varies. Their findings lead to the following hypothesis: Hypothesis 1. Personal attitude is positively associated with entrepreneurial intentions.
Perceived subjective norms and entrepreneurial intentions

Subjective norms in form of sentimental and monetary supports from family and friends may inspire persons to become entrepreneurs. According to (Türker and Selçuk, 2009), subjective norms denote the consent received from family, friends, and others for one to engage in entrepreneurial deeds. Family and friends may have a great influence on person’s career choice since they are considered as role models who may serve as source of credits and information. Mixed opinions characterized the outcomes of the studies on the effect of subjective norms on EI. While (Bagheri and Pihie, 2014; Mata et al., 2015; Ridha and Wahyu, 2016) reported a positive correlation between subjective norms and entrepreneurial intentions, (Leonidas et al., 2013), showed negative correlation. Based on the literature reviewed, it is hypothesized that:
Hypothesis 2: There is a positive significant correlation between perceived subjective norms and entrepreneurial intentions.

Perceived behavioral control and entrepreneurial intentions

Perceived behavioral control is a view of the individual’s perceived peculiar simplicity or strain to engage in an endeavor. Researchers (Almobaireek and Manolova, 2012; Leonidas et al., 2013), revealed that there was a positive link between perceived behavioral control and EI. Therefore, it is suggested that:
Hypothesis 3. There is a positive significant relationship between perceived behavioral control and entrepreneurial intentions.

Perceived educational support and entrepreneurial intentions

University education remains an effective way for gaining the required skills and knowledge that support entrepreneurship. University environment has already been recognized as a supporting influence on students’ EI. Entrepreneurial allied courses and trainings are required if university students’ EI must be promoted (Lope and Zaidatol, 2009). In order for youths to survive in today’s increased business realm, the university is expected to play a significant role in stimulating entrepreneurship. A little wonder while most universities nowadays are at the forefront of encouraging the development of entrepreneurial activities, thereby stimulating the commercialization of university skills (Politis et al., 2012). This is due to the recognition of perceived educational support as a strong determinant of EI. All the previous researches that reported significant relationship between perceived educational support and EI opined that there was direct association between the two variables. Given the role university education plays in stimulating entrepreneurship among students’, it can be proposed that:
Hypothesis 4. There is a positive significant relationship between perceived educational support and entrepreneurial intentions.

Perceived societal support and entrepreneurial intentions

The importance of societal support in the development of entrepreneurial activities has been emphasized. In this study, societal support denotes the perceived entrepreneurial assistances from government and non-government agencies which could be in form of business opportunities including enabling environment, financial aids as well as rules and regulations guiding the activities of entrepreneurs. Structural support was found to be positively linked with entrepreneurial intentions (Denanyoh et al., 2015). To this end, it is postulated that:
Hypothesis 5 There will be positive significant relationship between perceived societal support and entrepreneurial intentions.

2. Material and Methods

The study was carried out in Kwara state, Nigeria. It is one of the 36 states in the country and it is located in the north-central geopolitical zone of the country. The state was selected because it has
federal and state universities with faculty of agriculture in each, as well as an agricultural based private university. The three selected universities are: University of Ilorin (federal), Kwara State University and Landmark University (private). Incidentally, the three universities are known for stability in their academic calendar which is unprecedented in the country. The sampling frame for the study was all final year undergraduate agricultural students in 2018/2019 academic session, and data were collected in January, 2019. The study focused on final year students because it is assumed that they must have been exposed to series of entrepreneurial curriculum during the cause of their study. While population survey was adopted in the case of Kwara State University (37 students) and Landmark University (18 students) due to very low population of participants, multistage sampling techniques was employed in selecting 50% of the 630 respondents at University of Ilorin.

A total of 370 students were interviewed with the aid of a well-structured pre-tested questionnaire. The constructs and questionnaire used was adopted from (Ambad and Ag Damit 2016) with some modifications to fit the current study. However, 347 questionnaires (93.8% response rate) were adequately filled and used for this study. Information were gathered on demographic characteristics as well as various constructs which include: perceived personal attitude (8 items), subjective norms (6 items), behavioural control (7 items), perceived educational support (8 items), perceived societal support (7 items) and entrepreneurial intentions (9 items). Information on the six constructs were collected using a 5-point Likert-type scale which ranged from strongly agree (1) to strongly disagree (5).

2.1. Method of Data Analysis

The data collected were analysed with descriptive statistics, factor analysis and regression models using SPSS version 21 statistical software program. Descriptive statistics were employed to analyse demographic characteristics of respondents, while regression models were used to test the various hypothesis.

2.1.1. Exploratory Factor Analysis

Exploratory factor analysis was conducted on the data prior to regression analysis to assess the fundamental forms of the measurement scales. Variables (items) that loaded poorly on the construct (factor loading <0.7) were omitted from factor analysis (Ambad and Ag Damit, 2016). Bartlett test of sphericity was conducted on the remaining matrix to check the level of inter correlation among variables. The result stood at 36.29 and was significant at P<0.01 suggesting adequacy of the data for factor analysis. Furthermore, the data were subjected to Kaiser-Meyer-Olkin (KMO) sampling adequacy measure. A KMO measure of >0.5 is required for the dataset to be suitable for factor analysis (Hansson and Lagerkvist, 2012). The result of the test (0.82) was significant at P<0.01, indicating further, the adequacy of the data for factor analysis. Following this, Cronbach’s reliability analysis was conducted to examine internal reliability of the variables. The mean reliability statistics stood at 0.71 which is considered adequate because it is above average of 0.70 as opined by (Ambad and Ag Damit 2016). The data were later subjected to principal component analysis, only factors with eigen value >1 and accounted for moderate level of total variance in the factors were retained and new scores of the factors were calculated and used for further analysis (regression).

3. Results

3.1. Descriptive analysis of respondents’ characteristics

The results of the descriptive statistics of respondents is shown in Table 1. As shown in the table, the average age of respondents stood at 23.4 years, with about half of the respondents between the age range of 21-24 years. The majority of the respondents were females. About 36% of them have not been involved in any form of enterprise before. Over two-third of them did not intend to study agriculture in the university.
Table 1: Results of descriptive analysis of respondents’ characteristics

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency (n = 347)</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (years):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;21</td>
<td>61</td>
<td>17.58</td>
</tr>
<tr>
<td>21-24</td>
<td>174</td>
<td>50.14</td>
</tr>
<tr>
<td>25-28</td>
<td>95</td>
<td>27.38</td>
</tr>
<tr>
<td>&gt;28</td>
<td>17</td>
<td>4.90</td>
</tr>
<tr>
<td>Mean:</td>
<td>23.38</td>
<td>17.58</td>
</tr>
<tr>
<td>Standard deviation:</td>
<td>2.7651</td>
<td>50.14</td>
</tr>
<tr>
<td>Sex:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>184</td>
<td>53.03</td>
</tr>
<tr>
<td>Male</td>
<td>163</td>
<td>46.97</td>
</tr>
<tr>
<td>Self-employment status:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>222</td>
<td>63.98</td>
</tr>
<tr>
<td>Yes</td>
<td>125</td>
<td>36.02</td>
</tr>
<tr>
<td>Intended course of study:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>115</td>
<td>33.14</td>
</tr>
<tr>
<td>Non-Agriculture</td>
<td>232</td>
<td>66.86</td>
</tr>
</tbody>
</table>

3.2. Factors influencing entrepreneurial intentions

The results of the multiple regression on factors influencing EI is presented in Table 2. The R\textsuperscript{2} values for personal attitude, subjective norms, behavioural support, educational support and societal support were 0.237%, 0.137%, 0.105%, 0.131% and 0.103% respectively. The coefficient of personal attitude (0.487) was found to be statistically significant and positive at 1% level of significance. The estimated coefficient of subjective norms (0.370) was found to be statistically significant and positive at 1% level of significance. Finally, the coefficient of educational support (0.177) was also found to be statistically significant and positive at 1% level of significance. Students’ personal attitude had the greatest influence on respondents’ EI.

Table 2: Regression results of the factors influencing entrepreneurial intentions

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t value</th>
<th>R\textsuperscript{2}</th>
<th>adj. R\textsuperscript{2}</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal attitude</td>
<td>0.487***</td>
<td>0.047</td>
<td>10.361</td>
<td>0.237</td>
<td>0.235</td>
</tr>
<tr>
<td>Subjective norms</td>
<td>0.370***</td>
<td>0.050</td>
<td>7.402</td>
<td>0.137</td>
<td>0.135</td>
</tr>
<tr>
<td>Behavioural support</td>
<td>0.071</td>
<td>0.054</td>
<td>1.322</td>
<td>0.105</td>
<td>0.102</td>
</tr>
<tr>
<td>Educational support</td>
<td>0.177***</td>
<td>0.053</td>
<td>3.332</td>
<td>0.131</td>
<td>0.128</td>
</tr>
<tr>
<td>Societal support</td>
<td>-0.030</td>
<td>0.054</td>
<td>-0.550</td>
<td>0.103</td>
<td>0.102</td>
</tr>
</tbody>
</table>

Dependent variable: Entrepreneurial intentions, *** represent 1% level of significance

4. Discussion and Conclusion

The mean age of the respondents is understandable because the minimum age of admission into most Nigeria Universities is 16 years, while a first degree in Agriculture is for a minimum of five years. It should be noted that the respondents were in the final year of their undergraduate study. This indicates that a majority of the respondents were still in their youthful ages with a high level of potentials to contribute to the development of agricultural sector in the country. Surprisingly, the majority of the respondents were females. Agricultural practices in the country is believed to be tedious with associated drudgery, which should make it not attractive to female gender. However, a lot of current policies to make agriculture a business may be responsible for more female students studying agriculture. The result contrawise that of (Fadipe et al., 2014), who posited that there were more male students in the faculty of agriculture in Nigeria Universities. A high proportion of the respondents were involved in at least one type of agribusiness. This is expected to stimulate their agribusiness intentions upon graduation. Over two-third of them did not intend to study agriculture in the university. Most undergraduate admission seekers do change their courses of choice to another less competitive courses including agriculture, after they must have failed to secure admission for the courses they intend to study. This
implies that the majority of the respondents did not have positive attitude towards agriculture as a means of livelihood.

The R² values obtained from the multiple regression analysis of factors influencing EIs are low. The implication is that only about 24%, 14%, 11%, 13% and 10% of the variation in EIs was explained by each of personal attitude, subjective norms, behavioural support, educational support and societal support respectively. Given that the R² can at most be 1, the observed values of R² suggest that the independent variables have weak explanatory power. This is however not uncommon in this type of study that deals with human beings and with cross sectional data. There is direct association between personal attitude and EIs. Thus, we fail to reject Hypothesis 1. This implies that the greater the students’ attitude towards entrepreneurship, the higher their EIs. The findings corroborate the submissions of (Passaro et al., 2018; Fragaoso et al., 2019; Esfandiar et al., 2019). The positive correlation between subjective norms and EIs resulted into our failure to reject hypothesis 2. The meaning is that, perceived moral and financial support from family and friends will motivate students’ intentions to become entrepreneurs. The findings concur with those of (Zapkau et al., 2015; Ridha and Wahyu, 2016). However, the results contrariwise that of (Leonidas et al. 2013). Positive significant association exists between perceived educational support and students’ EIs. Therefore, we fail to reject hypothesis 4. The implication is that the higher the perceived educational support received by the respondents, the higher their EIs. The results concur with the findings of (Zapkau et al., 2015; Al-Shammari, 2018).

In conclusion, this study analysed the factors influencing entrepreneurial intentions of undergraduate agricultural students in Nigeria. The results showed that the main factors influencing EIs of respondents are personal attitude, perceived subjective norms and perceived educational support. While personal attitude had the highest influence, perceived educational support had the least influence. This study is an eye opener to stakeholders in the educational sector. First and foremost, policy that will stimulate students’ interest in agriculture should be put in place. Hitherto, agriculture in the country are in the hands of aged farmers with no or low level of formal education. Also, parents and guardians should encourage their wards to study agriculture in the university and be willing to support as many of them that may want to be employer of labour in agribusiness. Finally, universities should continue to offer entrepreneurship courses to students while it continued to motivate students to be self–reliant upon graduation rather than seeking white-collar job that is not readily available.

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References


