



FACTORS THAT LEAD TO ENTREPRENEURIAL INTENTION OF THE EMPLOYEES ASSOCIATION OF MEDICAL COLLEGES OF NORTHERN PHILIPPINES AND INTERNATIONAL SCHOOL OF ASIA AND THE PACIFIC

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ABSTRACT: *Factors affecting the Entrepreneurial Intention is a vital element in creating a new business as it guides the future entrepreneur in venturing to their business. The main purpose of this study to investigate the factors associated with the Entrepreneurial Intention of the MCNP-ISAP Community in the following areas: Attitudes (4.29), Social Norms (4.38), Self-Efficacy (3.89), Collective Efficacy (3.98), Perceived Behavioral Control (3.63), Perceived Desirability (4.34), Perceived Opportunity (4.41), and Perceived Feasibility (4.34). A Descriptive Correlational Research Design was used in this study. To assess the different domains given, a self-made questionnaire was utilized. The data gathering tool was validated on its internal consistency using the Cronbach alpha ($\alpha=0.977$) which yielded to an excellent tool to evaluate the factors on Entrepreneurial Intention of the of 56 members from the association who were purposively chosen. The following criteria were used in the selection of the respondents; A bonafide member of the MCNP-ISAP Community has the willingness to participate in the study with the strong internet connectivity for the google forms. Results shows that the respondents strongly agreed that Attitudes, Social Norms, Perceived Opportunity, Perceived Feasibility and Perceived Desirability are factors to consider. Also, respondents agreed that Perceived Behavioral Control, Perceived Self Efficacy, and Collective Efficacy is also to be considered. Respondents agreed also that they have Entrepreneurial Intention as based from the mean of 3.89. Test of relationship shows that, Entrepreneurial Intention is significantly related to Perceived Desirability, Perceived Opportunity, and Perceived Feasibility as manifested by p-value <0.05 .*

KEYWORDS: *Entrepreneurial Intention; Perceived Desirability; Perceived Opportunity; Perceived Feasibility; Resource Availability.*



INTRODUCTION

1.1 Entrepreneurial Intention

Entrepreneurial Intention are a precursory phase in the process of beginning an enterprise (Lee and Wong, 2004; Fayolle et al., 2006; Lián and Fayolle, 2015). They indicate a willingness and desire to consider starting a new enterprise as a career alternative (e.g., Bird, 1992, 1988; Bird and Schjoedt, 2009).

Entrepreneurial Intention in this study refers to the association's members' readiness and willingness to start a new business in the future. The Entrepreneurial Intentions Model and the Theory of Planned Behavior (Ajzen, 1991) are thought to be used to measure entrepreneurial intent (Bird, 1988; Krueger, 2009).

Entrepreneurship is a creative and innovative activity that has the potential to improve social welfare, add value to products, generate job opportunities, increase productivity, revive and diversify markets, and expand the economy more widely (Guerrero, Rialp, & Urbano, 2008)

Experiential/Affective Attitude and Instrumental/Cognitive Attitude are two types of attitudes toward entrepreneurship. These determinants will have a good or negative individual assessment on being an entrepreneur, according to Lián and Chen (2009). As a result, the higher their degree of these factors, the more likely they are to start a new business.

Perceived Social Norms includes social embeddedness (Song, 2010), which refers to the perceived social pressures (influences) to engage in a particular behavior (Nabi et al., 2010). Family, friends, and significant others exert social pressures (Robledo et al., 2015; Seborá, 2017; Shinnar et al., 2012). In the TBP literature, PSN is typically referred to as "subjective norms" (Iakovleva et al., 2011; Robledo et al., 2015). Following that, the two structures can be used interchangeably. Normative beliefs, normative beliefs compliance (Iakovleva et al., 2011; Robledo et al., 2015), and social valuing are all PSN dimensions (Santos et al., 2016).

Ajzen (1991) defined the PBC idea as a "person's assessment of the ease or difficulty of completing the conduct of interest" when it was first proposed as another antecedent element that can predict intention (Ajzen, 1991, p. 183).

Self-efficacy, which is defined as confidence in one's own abilities and capabilities, is a major driver of venture feasibility since it motivates people to pursue their dreams (Barbosa, Gerhardt, & Kickul, 2007).



A group's common belief in its conjoint capability to organize and execute the courses of action required to produce given levels of attainment" is defined as "a group's shared belief in its conjoint capability to organize and execute the courses of action required to achieve given levels of attainment" (Bandura, 1997, p. 477) The concept of collective efficacy extends the concept of self-efficacy to a group. According to Wickes, Hipp, Sargeant, and Homel (2013), the idea of collective efficacy has dual intellectual lineages in psychology (Bandura, 1986, Bandura, 2000, Zaccaro et al., 1995) and sociology (Bandura, 1986, Bandura, 2000, Zaccaro et al., 1995). (Sampson, Raudenbush, & Earls, 1997)

Entrepreneurship, according to Stevenson and Jarillo (1990), is the pursuit of opportunity that is both desirable and practical. They claim that people's perceptions of opportunities differ because each person's aspirations and abilities are unique. Awareness the entrepreneurial process, according to Shapero and Sokol (1982), necessitates an understanding of how credible opportunities are. Perceived attractiveness and perceived feasibility are two crucial antecedents for a viable entrepreneurial opportunity.

Perceived Desirability in this study is the consequence of an individual's impressions of the desirability of entrepreneurship in relation to personal attitudes, values, and sentiments (Shapero, 1982). Perceived feasibility is the personal proclivity to execute on one's decisions, which reflects volitional components of intention (Shapero, 1982). According to Stevenson and Jarillo (1990), entrepreneurship is defined as the pursuit of opportunity that is both desirable and possible. They claim that people's perceptions of opportunities differ since each person's aspirations and capabilities are unique. Awareness the entrepreneurial process, according to Shapero and Sokol (1982), necessitates an understanding of how credible opportunities are. As a result, the researcher wants to know what elements will impact the members of the employee's association of Medical Colleges of Northern Philippines and International School of Asia and the Pacific's entrepreneurial intentions.

RELATED LITERATURE

Understanding Entrepreneurial Intention

Entrepreneurial intention (EI) is defined as "the conscious state of mind that precedes action and directs attention toward entrepreneurial behaviors such as starting a new business and becoming an entrepreneur" (Moriano, Gorgievski, Laguna, Stephan, & Zarafshani, 2012, p. 165).



Entrepreneurial intention means “a self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future” (Thompson, 2009, p. 676). It is a mind-set, which directs one’s consciousness and energy towards particular behavioral aspirations (Bird, 1988). Thus, intentions have motivational attributes. According to Bird (1983 p. 2), intentions reflect an urge “to do, to be or to have” something (Bird, 1983 p. 2).

Understanding Attitudes towards Entrepreneurship

An individual’s attitude toward venturing refers to his or her assessment of the general favorability of engaging in starting a business (Krueger et al., 2000). A favorable assessment of entrepreneurial behavior, alone, is not sufficient in predicting an individual’s plans to become an entrepreneur. It is, however, reflective of their feelings about the potential entrepreneurial experience. These attitudes are shaped by the individual’s evaluations of venturing, both from personal experience and the experience of others. This evaluation shapes individual’s perceptions of the attractiveness of engaging in the behavior. When individuals’ perception of the attractiveness of starting business increases, their entrepreneurial intention also increases (Krueger et al., 2000).

Social Norms

Social norms here reflect the influence of a society's inherent cultural values and expectations to start entrepreneurial activities (Veciana, Aponte, & Urbano, 2005). Similar to personal attitude, perceived social norms affect the perception of desirability by those making decisions to establish a self-employment business. As social norms vary across cultures and even within cultures, it is plausible to expect that their effects on the propensity to become an entrepreneur vary according to cultural contexts as well (Shook & Bratianu, 2010).

Understanding Theory of Planned Behavior to Entrepreneurial Intention

The TPB posits that intention that happens to be a function of behavioral beliefs is a major predictor of the subsequent behavioral patterns (Kautonen et al., 2013). The three major antecedents considered in the TPB framework (Ajzen, 1991) include a favorable or unfavorable assessment of the behavior (attitude), perceived social pressure to execute or not to carry out the specific behavior (subjective norm) and the perceived easiness or complexity in performing a particular behavior (PBC). The TPB is one of the widely used theory to assess the factors affecting human behavior (Nishimura and Tristan, 2011; do Paço et al., 2011; Tegmeier, 2012; Kautonen et al., 2013; Soomro and Shah, 2015; Roy et al., 2017;



Ruiz-Alba et al., 2019; Ali and Jabeen, 2020; Vamvaka et al., 2020). Zaremohzzabieh et al. (2019) assessed the TPB to predict social entrepreneurial intention.

Self-Efficacy and Collective Self Efficacy and Entrepreneurial Intention

Self-efficacy defined simply as believing in one's own abilities and skills, is the key determinant of perceived feasibility of venture creation as it drives an optimistic self-view in the pursuit of goals (Barbosa, Gerhardt, & Kickul, 2007). A survey of entrepreneurial intentions of academics at technical faculties of University of Cambridge and University of Ljubljana by Prodan and Drnovsek (2010) reveals that self-efficacy is the most influential factor in explaining academics' EIs, compared to other predictors.

Collective efficacy refers to people's shared beliefs that they can work together to produce effects (R. D. Goddard, W. K. Hoy, A. Woolfolk Hoy, 2004). Based on social cognitive theory, (Bandura, 1986, 1994, 1997) expanded the construct of self-efficacy to the larger, social construct of collective efficacy within group settings.

the concept of collective efficacy has received lower attention. The concept of collective efficacy has been examined less frequently in relatively few studies (F. Pajares, 1997). Collective efficacy refers to the perceived "performance capability of a social system as a whole" (Bandura, 1994, 1997)

Perceived Opportunity and Entrepreneurial Intention

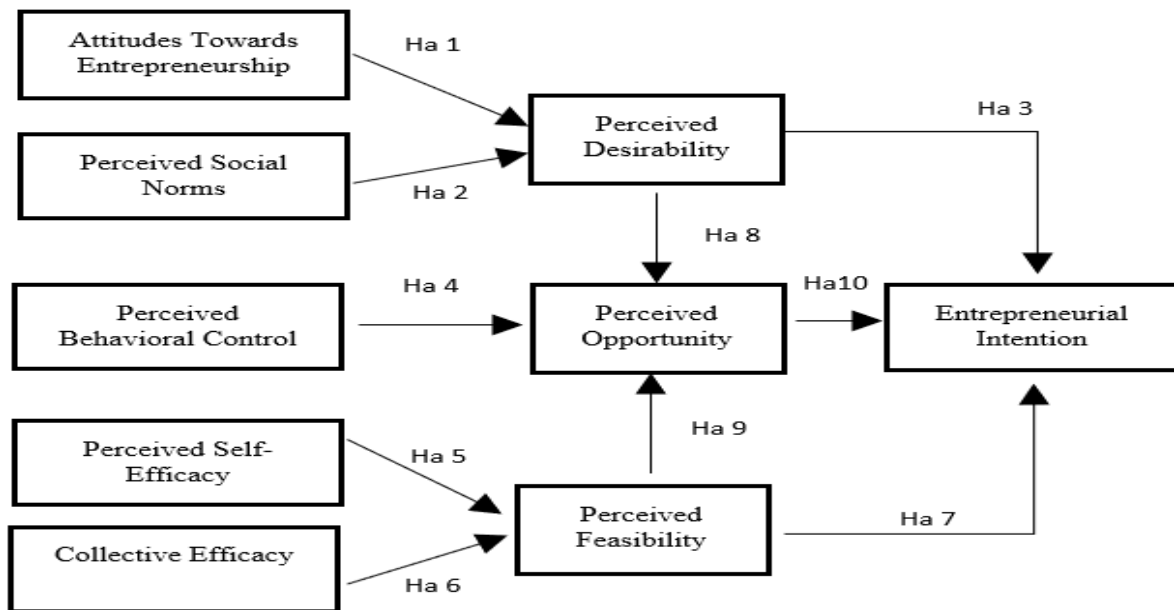
Perceived Opportunity is conditional on being desirable and feasible and viewed view entrepreneurship as the pursuit of opportunity. perception of opportunities varies among people since a person's desires and skills are different from others. (Stevenson and Jarillo, 1990). They argue that perception of opportunities varies among people since an individual's desires and abilities are different from others. According to Shaper and Sokol (1982), understanding the entrepreneurial process requires an understanding of how credible opportunities are.

FRAMEWORKS

The research framework used operational framework based on the model of entrepreneurial intention (Krueger, 2009) and Theory of Planned Behavior (Ajzen, 1991) with the following hypothesis.



Figure 1: Operational Framework



Source: Entrepreneurial Intention (Krueger, 2009) and Theory of Planned Behavior (Ajzen, 1991)

As presented in the operational framework, the left most column refer to the independent variables or the determinants, which are the factors that influence the entrepreneurial intentions of the employee's association in creating a new venture. On the other hand, the mediating variable place in the middle of the framework are Perceived Desirability, Perceived Opportunity and Perceived Feasibility which will use to measure the judgement and rating of the entrepreneurial intentions of MCNP-ISAP Employee's Association Entrepreneurial Intention. The researcher came up with the following hypotheses.

Ha₁: Attitudes towards Entrepreneurship composed of Experiential and Instrumental Attitude and Perceived Desirability significantly influence the Entrepreneurial Intention.

Ha₂: Perceived Social Norms and Perceived Desirability significantly influence the Entrepreneurial Intention.



Ha₃: Perceived Desirability mediates the relationship between attitude towards entrepreneurship, perceived social norms, and Entrepreneurial Intention.

Ha₄: There is a direct impact between Perceived Behavioral Control and Perceived Opportunity on Entrepreneurial Intentions of the employee's association.

Ha₅: Perceived Self-Efficacy and Perceived Feasibility significantly influence the entrepreneurial intention.

Ha₆: Collective Self-Efficacy and Perceived Feasibility significantly influence the entrepreneurial intention.

Ha₇: Perceived feasibility does not mediate the relationship between perceived self-efficacy and collective self-efficacy and entrepreneurial intention.

Ha₈: There is a positive relationship between Perceived Desirability and Perceived Opportunity on Entrepreneurial Intention.

Ha₉: There is a positive relationship between Perceived Feasibility and Perceived Opportunity on Entrepreneurial Intentions.

Ha₁₀: Perceived opportunity mediates the relationship between Perceived behavioral control and entrepreneurial intentions.

METHODOLOGY

3.1 Research Locale

This study will be conducted at MCNP-ISAP Alimannao Hills, Peñablanca Cagayan with the members of the employee's association as participants.

3.2 Research Design

This study is a descriptive correlational research design as it aims to describe factors of entrepreneurial intention of the MNCP-ISAP Employees Association, and it is a correlational design as it correlates factors of entrepreneurial intention of the participants later on.



3.3 Sampling Design

Stratified Random Sampling technique will be used. This technique is applicable because the researcher would want to have equal chances in each department to be part of the study. The department/Colleges/Unit will serve as the strata of the population.

3.4. Research Instrument

Self-made questionnaire is to be used in this study in which statements and variables was based on the Related Review of Literature. Upon Completing the tool, pre-testing was done in which the results show that the tool is excellent with the alpha level of 0.977 leading to high internal consistency of the variables. Google form will be used to gather data so as to adhere to the IATF guidelines against COVID-19 Pandemic.

3.5 Statistical Treatment of Data

Descriptive statistics will be used to analyze the factors that lead to entrepreneurial intention of the participants, while Pearson-r correlation will also be used to establish the relationship among the variables identified.

RESULTS AND DISCUSSION

Table 4.1. Contributory factors for EI

| Factors | Mean | Description |
|------------------------------------|------|----------------|
| Attitudes towards Entrepreneurship | 4.29 | Strongly Agree |
| Social Norms | 4.38 | Strongly Agree |
| Self-Efficacy | 3.89 | Agree |
| Collective Self-Efficacy | 3.98 | Agree |
| Perceived Desirability | 4.34 | Strongly Agree |
| Perceived Feasibility | 4.34 | Strongly Agree |
| Perceived Opportunity | 4.41 | Strongly Agree |
| Entrepreneurial Intention | 3.89 | Agree |
| Perceived Behavioral Control | 3.63 | Agree |

Table 1 shows the different factors leading to Entrepreneurial Intention among the MCNP-ISAP Academic workforce, in which they strongly agreed that Attitudes (4.29) is one of its factors. This result supports by the idea of Krueger et al., (2000) focusing on individual



perceptions that attracts them to start a business. Also, Shook & Bratianu, (2010) make a strong conclusion that a positive attitude can lead to a good start in putting up a business. In addition, Same result was noted to Social Norms (4.38) which they strongly agreed that it is a contributory factor. Further, the result shows that they agreed with Self-Efficacy (3.89) as one of the important factors leading to EI supported by the study conducted by Ljubljana by Prodan and Drnovsek (2010) that self-efficacy is the most influential factors. On the other hand, the Employee's Association of MNCP-ISAP agreed that Collective efficacy (3.98) as a factor can significantly contribute to their Entrepreneurial Intention as supported by Ljubljana by Prodan and Drnovsek (2010) and Bandura (1997) which posits that their Collective Efficacy can make their beliefs stronger in organizing a certain entrepreneurial activity. To resume, Perceived Desirability (4.34), Perceived Feasibility (4.34) and Perceived Opportunity (4.41) strongly agreed that in order to understand the entrepreneurial intention it requires an understanding of how credible opportunities are, the individual's perception of desirability of entrepreneurship and the personal disposition to act on one's decision, Shapero and Shokol (1982). In the context of Perceived Feasibility, result of this study is in contradictory to Singh, Prasad, & Raut, (2012) stating that Perceived Feasibility was a non-motivational factor to entrepreneurial intention. However, in the context of business Perceived Feasibility is an essential component because it determines the viability and profitability of a business. Furthermore, Entrepreneurial Intention (3.89) agreed that self-acknowledged conviction by an individual that they want to establish their own business as supported by Bird, (1988) that intentions have motivational attributes that reflects an urge to do, to be, or to have something. Lastly, Perceived Behavioral Control (3.63) agreed that major behavioral beliefs such as perception of the ease and difficulty of performing behavioral interest can predict intention (Ajzen, 1991, p. 183).



Table 4.2: Relationship Between EI and its Related Factors

| DV | IV | Ha | r-value | p-value | Results |
|----|-----|------------------|---------|---------|---------|
| PD | ATE | Ha ₁ | 0.51 | 0.00 | Accept |
| | SN | Ha ₂ | 0.14 | 0.30 | Reject |
| PO | PBC | Ha ₄ | 0.56 | 0.00 | Accept |
| | PD | Ha ₈ | 0.76 | 0.00 | Accept |
| | PF | Ha ₉ | 0.79 | 0.00 | Accept |
| PF | PSE | Ha ₅ | 0.59 | 0.00 | Accept |
| | CE | Ha ₆ | 0.48 | 0.00 | Accept |
| EI | PD | Ha ₃ | 0.64 | 0.00 | Accept |
| | PO | Ha ₁₀ | 0.63 | 0.00 | Accept |
| | PF | Ha ₇ | 0.64 | 0.00 | Accept |

The table 2 shows that Perceived Desirability is significantly related to the Attitudes of the respondents ($r=0.51;p<0.05$). The result is consistent to the literature which shows that the more positive the attitude toward entrepreneurship, the more favorable the overall perceived desirability of a venture creation (Shook &Bratianu, 2010). On the other hand, there is no noted relationship between the Perceived Desirability with the Social Norms ($r=0.14;p<0.30$). This data is not congruent to the study of Veciana, Aponte, &Urbano, (2005) which explains that Social Norms can be a contributory factor in establishing an entrepreneurial intention of the locality as this will be their foundation in formulating a concept that is localized to the business setting. Also, the authors made a note that Social Norms cannot also be a factor as the norms in the locality can dictate the desirability of a certain business organization.

As to the data presented on the above table, Perceived Opportunity shows a significant correlation on the following variables: Perceived Behavioral Control, Perceived Desirability, and Perceived Feasibility. As Stevenson and Jarillo (1990) view entrepreneurship as the pursuit of opportunity, conditional on being desirable and feasible. They argued that perception of opportunities varies among people since an individual's desires and abilities are different from others. According to Shapero and Sokol (1982), understanding the entrepreneurial process requires an understanding of how credible



opportunities are. A credible entrepreneurial opportunity hinges on two important antecedents, perceived desirability, and perceived feasibility. In the long run the overall perspective shows a foundation on behavioral concept thus the perceived behavioral control is the foundation of the two variables (Perceived Desirability and Perceived Feasibility).

Perceived Feasibility on the data shows significant correlation on Perceived Self-Efficacy and Collective Efficacy. In the literature, Perceived Self-Efficacy is the key determinant of perceived feasibility of venture creation as it drives an optimistic self-view in the pursuit of goals (Barbosa, Gerhardt, & Kickul, 2007). While Collective Efficacy and Perceived Feasibility is significantly correlated because Efficacy perceptions also function collectively; that is, one's perceptions as to whether his or her team members are capable of performing the respective actions (Shepherd and Krueger, 2002).

In addition, Entrepreneurial Intention has significant relationship to the Perceived Desirability, Perceived Opportunity, and Perceived Feasibility. the more favorable the overall perceived desirability of a venture creation, the more they will create and initiate to start a business (Shook & Bratianu, 2010). Also, Perceived Opportunity and Entrepreneurial Intention is significant because normally Entrepreneur's pursuit for an opportunity (Stevenson and Jarillo, 1990). The author further explain that Perceived Feasibility is an opportunity for a business, thus, there is a significant relationship between Perceived Feasibility and the Entrepreneurial Intention of the respondents.

CONCLUSIONS AND RECOMMENDATIONS

In light of the findings presented on the previous section, this study shows that Attitude towards Entrepreneurship, Perceived Social Norms, Perceived Behavioral Control, Perceived Self-Efficacy Collective Efficacy, Perceived Desirability, Perceived Opportunity, and Perceived Feasibility are considered factors for the entrepreneurial intention of the MCNP-ISAP Community. Further analysis shows that the Entrepreneurial Intention is significantly related to Perceived Opportunity, Perceived Desirability and Perceived Feasibility. With these notes, this study highly recommends that additional variable should be taken as a domain to elicit more factors that may contribute to their entrepreneurial intention. Test of relationship should also be done in all the factors to the entrepreneurial intention



among the respondents.

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