ANALYSIS OF STUDENTS’ ATTITUDES TOWARD SELF-EMPLOYMENT INTENTION IN TERTIARY INSTITUTION IN NIGERIA

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ABSTRACT: The paper analyzes students’ attitudes toward self-employment intention. Students have different traits which perhaps are responsible for shaping their attitudes. The decision to become self-employed is dependent on so many factors. People become self-employed either because they want to explore an existing opportunity or because there is limited paid employment opportunities. High unemployment rate among graduate is one of the major problems facing government of Nigeria at present. The recent effort by the governments at different levels to encourage youth to become self-employed is an indication of the resolve to redirect students’ attitudes toward self-employment in the country. At this stage, it is important to ascertain what influence the attitude of students and how they vary in their intention toward self-employment. Survey design was conducted to collect data from final year student of Higher National Diploma (HND) across four schools of Kano State Polytechnic. Correlation analysis and analysis of variance (ANOVA) were conducted to examine the relationship among the selected variables and to know the difference among the students on their self-employment intentions. It was found that the relationship between self-employment intentions with the students’ self-efficacy, innovativeness and risk taking propensity are positive, whereas self-employment intention negatively relates with the students’ locus of control. The study also reveals that there is no significant difference among students on their self-employment intentions.

KEYWORDS: Self-employment intention, Entrepreneurship, Students’ attitude.

INTRODUCTION

The decision for an individual to become self-employed or to remain as an employee is dependent on some factors. Many studies pointed out how these factors play an important role in motivating and restraining people to become self-employed. The motivating factors make self-employment to be attractive. For instance an existing opportunity for profit making may attract young people to start up their own business. Similarly, low wage or dissatisfied condition of work would make paid employment less attractive. Analyzing factors that influence individuals’ decision to become self-employed and why people choose paid employment rather than floating their own business will provide an important guide for policy makers. The reasons why people become self-employed or
choose to be employees have been discussed in entrepreneurship literature. Self-employment is being considered synonymous with entrepreneurship. In fact, many studies used self-employment as a proxy for measuring entrepreneurship (Bjuggren, Johansson, & Stenkula, 2012; Rietveld, Hessels & Zwan, 2014).

The major contemporary challenge of most the developing countries is combating unemployment among particularly youth. Over the years, Nigeria is experiencing a decline in the general standard of living largely due to poverty and unemployment among its citizens. Numerous measures were taken by the government to create jobs for the teeming graduates coming out from the Nigerian tertiary institutions as a way of reducing youth unemployment in the country. But these are to no avail as the number of graduates far outweighs the vacancies created yearly by both government and the private sector. It is pertinent to find out if changing the orientation of students toward self-employment could be efficacious in reversing the trend of youth unemployment in the country. In view of the recent government effort to inculcate entrepreneurial culture among students, it is relevant to ascertain whether in the near future the goal of curving unemployment among graduates is achievable or not.

Students may have different attitudes and can react differently on the expected self-employment behavior. Perhaps they can exhibit positive or negative attitude toward self-employment depending on their background and other traits. If the students have positive attitudes toward self-employment, it is likely that upon graduation they will start their own business. Conversely, if they form negative attitudes it is unlikely that they will become self-employed. Therefore, the objective of this paper is to analyze students’ attitudes toward self-employment intention.

LITERATURE REVIEW

Attitude and Self-employment

Attitude is regarded as a mental or natural state of readiness, organized through someone experience, exerting a direct or dynamic influence on the individual’s response to all objects and situations to which it is related (Tesser & Schwarz, 2001). Attitude is a mindset or a tendency to act in a particular way due to both an individual experience and temperament. Typically, when we refer to a person’s attitudes, we are trying to explain his or her behavior. Attitudes are complex combination of things such as personality, beliefs, values, behaviors, and motivations. Attitude helps us to define how we see situations as well as how we behave towards the situation (Pickens, 2005). Basically, an attitude includes three components: an affect (a feeling), cognition (a thought or belief), and behavior (an action). It provides us with internal cognitions or beliefs and thoughts about people and objects. Although the feeling and belief components of attitudes are internal to a person, it can viewed through individual resulting behavior.

In the broadest sense of functionality, attitudes facilitate adaptation to the environment (Eagly & Chaiken 1998 in Ajzen, 2001). Among the functions recognized by most theorists are the value-expressive function of attitudes, the knowledge function, the ego-defensive function, the social-adjustive function, and the utilitarian function (Murray et al., 1996). The operations of some of these functions have been investigated in recent studies.
Self-employment refers to the status of an individual who rather than accepting a position as an employee of another person or organization chooses to go into business for him or herself. Self-employment is the act of generating income directly from a consumer as opposed to being an employee of another person, firm or government. Similarly, self-employment is a situation in which an individual works for himself or herself instead of working for an employer that pays a salary or a wage. A self-employed individual earns their income through conducting profitable operations from a trade or business that they operate directly. Self-employment offers individuals a number of advantages, such as freedom to work without supervision, income and wealth creation, but it also has some potential drawbacks, including uncertain levels of income and long working hours. People choose self-employment for a wide variety of reasons. Some desire a change in lifestyle, some are unable to find paid employment, some want to work at home in order to care for small children, and some are retirees seeking additional income. Regardless of the underlying motivation, however, there are ways for self-employed persons to overcome the potential drawbacks and increase their chances for success.

Self-employment, whether by choice or necessity, does not guarantee success. In fact, nearly two out of every three new businesses fail within five years (Hatten, 2009). But the chances of success can be greatly improved with careful planning, prior savings, and a sound management and marketing strategy.

**Self-employment traits and attitudes**

There are several traits for self-employed or entrepreneurs as identified in various studies, but this paper limits its analysis to very few as highlighted below;

**Locus of control:** The concept of locus of control refers to a generalized belief that a person can or cannot control his or her own destiny (Rotter, 1966). Those who ascribe control of events to themselves are said to have an internal locus of control and are referred to as "internals. People who attribute control to outside forces are said to have an external locus of control and are termed "externals" (Spector, 1992; Nwachukwu, 1995). An internal locus of control has been one of the psychological characteristics most often used as predictive of entrepreneurship (Kaufmann & Walsh, 1995).

Thus, locus of control may be viewed from a theoretical viewpoint as a potential determinant of whether or not a person involved in self-employment or small business is aware of and seeking to explore opportunities overlooked by others within a given environment. Also, a person with an internal locus of control is more likely to believe environmental influences, such as the economy, can be influenced rather than passively accepted (Ward, 1993 in Boydston & Hopper, 2007). The claims that locus of control significantly contributed to the prediction of entrepreneurial intention corroborate the work of Kundu & Rani, (2007), Robinson et al. (1991) who found that “perceived person control of business outcomes is concerned with the individual’s perception of control and influence over his or her business. The results of many empirical studies shows that internal locus of control is related to individual entrepreneurial intention (Mazzarol et al., 1999, Entrialgo, Fernandez & Vazquez, 2000).

**Self-efficacy:** Individual’s beliefs about his or her competencies and zeal/power to utilize such competencies in accomplishing a given task. These beliefs either accurate or not is an estimation
of how well one can marshal one’s cognitive, physical and emotional resources to accomplish specific goals (Maddux & Gesselin, 2003 in Ayodele 2013). Self-efficacy therefore is all encompassing because it has something to do with believing in oneself to successfully execute and accomplish some tasks that will produce desired end results (Bandura, 1997). Markham et al. (2002) in their study affirm that what motivate individuals to demonstrate entrepreneurial behavior is their self-efficacy belief, rather than their objective ability. Factors such as education and past experiences are potent factors that may influence individual’s belief in starting a new venture (Hollenbeck & Hall, 2004). Some scholars and researchers are of the opinion that self-efficacy cannot be completely distinguished from some other personality traits such as locus of control. While locus of control emphasizes authority over the aftermaths of activities or actions; self-efficacy on the other hand is grounded on confidence in oneself in undertaking particular tasks (Boyd & Vozikis, 1994).

According to Wilson, Kickul, & Marlino, (2007), self-efficacy is purview in nature and differs based on various chores and circumstances, while Chen, Greene, & Crick, (1998) asserts that self-efficacy cannot be completely isolated from other related chores or performances. It should be noted, however, that one of the essential constituents’ model of entrepreneurial intention is self-efficacy. (Segal, Borgia & Schoenfeld, 2005; Ajzen, 2002). Segal, Borgia & Schoenfeld, (2005) assert that individual with high entrepreneurial self-efficacy has the tendency to become self-employed. Zhao, Seibert, & Hills (2005) emphasized the mediating role of entrepreneurial self-efficacy on the relationship between entrepreneurship courses and university students’ entrepreneurial intention. A research conducted by Herath, Herath, & Azeez (2006) revealed that personal characteristics and knowledge play key roles in individual and business performance.

**Innovativeness:** Drucker (1985) argued that innovation is the tool of entrepreneurship. Innovation is defined as adding something new to an existing product or process (Okpara, 2007). The product or process has already been created from scratch and has worked reasonably well. When it is changed so that it works better or fulfills a different need, and then there is innovation on what already exists (Okpara, 2007). All innovation begins with creative ideas or rather creativity is the starting point for innovation. Creativity is however necessary but not sufficient condition for innovation. Innovation is the implementation of creative inspiration. Harris (1998) in Okpara (2007) states that creativity is an attitude, the ability to accept change and newness, a willingness to play with ideas and possibilities, a flexibility of outlook, the habit of enjoying the good, while looking for ways to improve it. Therefore, people with innovative mindset are more likely to initiate business and sustain it through continuous improvement.

**Propensity for risk taking:** Self-employed bear substantial risk by establishing new jobs and firms. Risk taking and self-employment are two associated words studied in entrepreneurial research. In most definitions, entrepreneurs are associated with risk and risk taking attitude. One of the most important factors in the entrepreneurs’ success is their risk taking. Self-employed must be risk takers to realize their ideas. Risk-taking refers to the tendency to engage in behaviors that have the potential to be harmful or dangerous, but in some occasion it provides the opportunity for achieving something positive.
METHODOLOGY OF THE STUDY

Research design and population of the study
The survey research design was used in this paper to collect data from the selected samples. The population of the study composed of final year students of Higher National Diploma (HND) from four different schools of Kano State Polytechnic. 213 Samples were drawn from the population using purposive sampling technique.

Data analysis techniques
The study used four variables to ascertain how each relate to self-employment intention and determine whether the students vary in their self-employment intention. However, correlation analysis and Analysis of variance (ANOVA) have been employed to examine the relationship among the selected variables and to understand differences if any among the students on their self-employment intention respectively.

Defining and measuring variables
Self-employment intention (SEFint): It is defined as the intention of the student to become self-employment after graduation and it is measured by asking the respondents to state their likelihood of founding/establishing a business within the next 5 years after graduation. The responses of the student were recorded 0 for having no intention and 1 for having intention for becoming self-employed.

Self-efficacy (SE): It is defined as one’s belief in one’s overall competence to a wide variety of achievement situation (Chen, Gully & Eden, 2001; Urban, 2006). This variable is measured with 8 items by asking the respondents to indicate their degree of certainty or uncertainty on 5 points Likert’s scale.

Innovativeness (INN): The definition is adopted from Jackson personality inventory manual (JPI) which defines innovativeness as a tendency to be creative in though and action (Thomas and Mueller, 2000). The innovativeness scale comprises 8 items measured on 5 points Likert’s scale.

Locus of control (LOC): It has to do with individual’s perception about his ability to influence events in his life. Locus of control can be internal or external, but this study attempts to measure internal locus of control only. This variable is measured using 10 items which is adapted from Rotter (1966). The respondents were asked to indicate the extent to which they agree or disagree with some statements. It is measured on 7 points Likert’s scale.

Risk Propensity (RP): It is defined as the tendency to take or avoid risk (Silkin & Pablo, 1992). The scale was adapted from Meertens & Lion (2008) which was later modified. The variable is measured with 7 items on Likert’s scale by asking respondents to indicate their extent of agreement or disagreement.

RESULTS AND DISCUSSION

The reliability tests show that all the items measuring individual variables are consistent. The result indicates that risk propensity has the lowest coefficient cronbachs alpha (.624). The cronbachs
alpha measure the internal consistency among multiple items scales. The coefficient measures how well the items in the measurement are positively correlated to one another. The closer of cronbachs alpha coefficient to 1, the better reliability of the variables.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number of items</th>
<th>Cronbachs alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEFint</td>
<td>5</td>
<td>.846</td>
</tr>
<tr>
<td>SE</td>
<td>8</td>
<td>.832</td>
</tr>
<tr>
<td>INN</td>
<td>10</td>
<td>.764</td>
</tr>
<tr>
<td>LOC</td>
<td>10</td>
<td>.722</td>
</tr>
<tr>
<td>RP</td>
<td>7</td>
<td>.624</td>
</tr>
</tbody>
</table>

Table 1: Reliability test result

Intention of individuals is not easy to explain because intention is not an action that cannot be seen or assessed directly, as such people cannot be judged based on their intentions. Intention could be a proximate cause for action (Ajzen, 1991, 2001 & 2002). This means that for individual to act in a desired way, she or he must have formed an intention earlier. Individual having intention for doing something must to consider the ends and means (Krueger & Carsrud, 2013). It is apparently evident that people must have intention of starting a business first, and then think of the type and nature of business to be involved. More so, self-employment intention usually comes from the originator’s ability to see the possibility of engaging in economic activities such as starting a business. The decision to be self-employed or to have entrepreneurial intention is a function of so many factors. Based on Shapero’s model there is evidence to show that perceived feasibility, perceived desirability are some of the antecedents of entrepreneurial intention (Krueger & Carsrud, 1993).

In theory of planned behavior three attitude measures were identified as critical antecedents of intention. They are personal attitude toward a behavior, perceived social norms and perceived behavioral control (Krueger & Carsrud, 1993). But it is important to equally understand that the test measure of attitude (perceived behavioral control) is similar to Badura’s self-efficacy (Bandura, 1986). Self-efficacy is considered as one of the important predictor of goal oriented behavior. It is assumed that for someone to be self-employed, he must have desire to accomplish certain ambitious goal. Self-efficacy affects and shapes both aspiration level of the target behavior and outcomes expected (Locke et al., 1984). Depending on the effect of these factors, the strength of individual’s intention could be enhanced. It is evident that the correlation between career intention and self-efficacy range from 0.3- 0.6 (Badura, 1986).

The students’ attitude toward self-employment could be used to distinguish between those that may likely become entrepreneurs and those that have no inclination toward entrepreneurial activity. There are many studies that were able to indentify some characteristics in order to distinguish entrepreneurs from non-entrepreneurs. Some of the factors studied include innovation, risk propensity and internal locus of control (Thomas & Mueller, 2000). Self-employed or entrepreneurs are distinguished with others based on their innovativeness. For instance Schumpeter (1966) argued that the value creation is the major role of the entrepreneurs. For any
entrepreneur to achieve this goal of value creation he/she must be innovative enough to produce new goods and services that are not comparable to that of his/her competitor.

Table 2 shows the correlation among all the variables. The results indicate that the relationship between self-employment intention with self-efficacy and innovativeness are positive (r=.041 and .075 respectively). The positive correlation between self-employment intention and self-efficacy is consistent with the result obtained in Turkey (Naktiyok, Karabey & Gulluce 2009). Though, in that case they measured entrepreneurial self-efficacy not general self-efficacy as in this paper. The result further shows that there is a positive and significant relationship between innovativeness and risk propensity (.173) at 0.05 level. This finding is consistent with some results from other empirical studies. There are also enough evidences to show that entrepreneurs are risk takers (Thomas & Mueller, 2000). Entrepreneurs could commit their resources to initiate something completely new without clear knowledge of whether the market can absorb such products or not. The act of innovation is usually associated with risk taking behaviors.

Table 2: Correlation Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>SEFint</th>
<th>GSE</th>
<th>INN</th>
<th>LOC</th>
<th>RP</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEFint</td>
<td>1</td>
<td>.041 (.614)</td>
<td>.075 (.386)</td>
<td>-.048 (.572)</td>
<td>-.068 (.422)</td>
</tr>
<tr>
<td>SE</td>
<td>1</td>
<td>.036 (.673)</td>
<td>-.084 (.322)</td>
<td>.172* (.040)</td>
<td></td>
</tr>
<tr>
<td>INN</td>
<td>1</td>
<td>-.088 (.303)</td>
<td>.173* (.042)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOC</td>
<td>1</td>
<td>-.033 (.702)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RP</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figures in bracket are the sig p-values. Correlation is significant at the 0.05 level (2-tailed)

While there is a negative relationship between self-employment intention with students’ locus of control and risk propensity (r=.048, and -.68 respectively). Locus of control is a very important determinant of individual’s behaviors. It measures the extent to which individual attribute outcomes to his/her effort or to external forces. People with external locus of control attribute their success to external forces or conditions, while individuals with internal locus of control attribute success or failure to themselves. Since self-employment is associated with locus of control, it can be assumed that students with internal locus of control are more likely to become self-employed. Students with this kind of traits have considerable influence over the outcomes of their action. They will decide about their own fate. Impliedly, they may not fall a victim of unemployment by choosing to become self-employed. Entrepreneurs are generally found to have higher internal locus of control than those that are not entrepreneurs. On the contrary, students with external locus of control orientation may not likely become self-employed. They will probably choose to look for employment opportunity upon graduation. If the job opportunities are not available, they will rather keep searching than to opt for self-employment.
The ANOVA result in table 3 indicates that the null hypothesis cannot be rejected with $F = .895$ (sig p-value .445). This reveals that there is no significant difference among students on their self-employment intention. Although expected to have differences among students on the attitudes, it equally expected that factors making individuals to have positive attitude toward self-employment should be strong enough to arouse self-employment intention. Before someone decides to become self-employed, consciously or otherwise he/she must have some attitude that are positive to self-employment. Attitude and intention are considered as precursors of any self-employment or entrepreneurial action (Gibson et al., 2011). The students undergoing training may likely have different intention of whether to embark on self-employment or seek paid employment. But sometimes other factors play an important role in shaping what behavior or action someone could take. For instance, educational background and positive entrepreneurial exposure could have impact on the student intention to become self-employed (Krueger, 1993). Therefore, it is expected that students with the same educational background and entrepreneurial exposure may have similar desire to become self-employed.

Although entrepreneurial exposure varies according to level of involvement and duration, still it can be an important motivating factor for self-employment. Having accepting the null hypothesis, it can be assumed that the students have no adequate motivation toward self-employment or have negative attitude toward self-employment. Individual with negative attitude toward self-employment can be associated with external locus of control. It was found in the previous studies that internal locus of control is positively correlated with entrepreneurial intention (Mazzarol et al., 1999, Entrialgo, Fernandez & Vazquez, 2000). Those with Low level of self-efficacy may exhibit negative attitude toward self-employment. Likewise highly innovative people are more likely to be independent and have positive attitude toward self-employment. Risk taking behavior is associated with self-employment decision. Risk averse prefers to be employed and avoid self-employment.

Furthermore, other factors such as family background and environment influence could also account for the differences among the students on their attitude and intention for self-employment. In analyzing the findings, the attitude of the students toward self-employment could be related to the ‘syndrome of study and work’ among the youth. This factor plays an important role in shaping the attitude of the students. Historically, self-employment was not at core of the colonial system of education. Hence, the colonial educational policies do not give room for breeding young people for self-employment. The enrollment in formal schools were based on sole objective of training people for the available jobs for administration of the then colonies and protectorates of what is today called Nigeria. This kind of mentality was transcended beyond the Nigeria’s independence until recently when the federal government recognizes the virtue of entrepreneurship in tackling socio-economic problems in the country.
CONCLUSION AND POLICY IMPLICATIONS

The major contemporary problem facing leaders in most of the developing countries is reducing unemployment among youth. Nigeria in particular is experiencing a decline in the general standard of living largely due to unemployment and poverty among its people. Several measures were taken by the government to create jobs for the teeming graduates coming out from the tertiary institutions as a way of reducing youth unemployment in the country. Yet these problems remain pathetic as the number of graduates far outweighs the vacancies created yearly by both government and the private sector. In view of the recent government effort to inculcate entrepreneurial culture among students, it is relevant to ascertain whether in the near future the goal of curving unemployment among graduates is achievable or not. Therefore, it is pertinent to find out students’ attitudes toward self-employment, especially their self-employment intention.

The decision for students to become self-employed or search for employment is dependent on so many factors. Analyzing factors that influence individuals’ intention to become self-employed and why people choose paid employment rather than floating their own business will provide an important guide for policy makers. In this paper, the findings of positive relationship between self-employment intention with self-efficacy and innovativeness could be an indication that the student may be positive toward self-employment. While the negative relationship between self-employment intention with students’ locus of control and risk propensity could result in negative attitude to self-employment. Locus of control is a very important determinant of individual’s behaviors. People with external locus of control attribute their success to external forces or conditions and those with internal locus of control attribute success or failure to themselves. Those with internal locus of control, high innovativeness, high self-efficacy and high risk propensity are more likely to become self-employed. Students with this kind of traits have considerable influence over the outcomes of their action. In the face of unemployment they may not likely fall a victim of unemployment, they will rather choose to become self-employed.

Entrepreneurs are generally found to have internal locus of control, high innovativeness, high self-efficacy, high risk propensity and so on than non-entrepreneurs. On the contrary, students with external locus of control, low innovativeness, low self-efficacy and risk avoidance orientation may not likely become self-employed. They will probably choose to look employment opportunity upon graduation.

REFERENCES


