

ATTITUDES OF UNDERGRADUATE STUDENTS TOWARDS SELF-EMPLOYMENT IN ETHIOPIAN PUBLIC UNIVERSITIES

Abraham Abebe

Assosa University, Ethiopia

ABSTRACT: *With the rapid population growth and expansion of higher learning institutions unemployment of university graduates is a major socio- economic problem in Ethiopia. The main purpose of this paper is therefore, to investigate the attitude of Ethiopia public university undergraduate graduating class students towards self-employment. The population was composed of graduating class students of one government universities in Ethiopia. The data was collected through questionnaire from randomly selected 80 students of Assosa University. The data obtained through questionnaire was statistically analyzed through statistical package for social science (SPSS) version 20. The research result reveals that significant number of graduating class students' job preference right after graduation was government or private employment and majority of students do not have short- term self-employment plan in the foreseeable future after graduation. Therefore, it's advised that universities entrepreneurship course should focus practically on development of competencies related to entrepreneurship and cultural awareness.*

KEYWORDS: Entrepreneurship, Self-employment, Public university

INTRODUCTION

Entrepreneurship is a major catalyst or accelerator that drives the economy of most nations. Besides being the engine by which new ideas and novel approaches are introduced continually into businesses and the market place, entrepreneurship guarantees economic returns from diverse forms of activities. In a more specific sense, entrepreneurship is the vehicle on which innovation rides. Within this context, entrepreneurs are considered as “champions” of some sort who convert ideas into products and services and ultimately create wealth and reduce unemployment (Willie and Olande, 2009). Nowadays, unemployment is one of the main social and economic problems that many nations face. One strategic way to get over this problem is to increase the entrepreneurship spirit especially for unemployment graduates (Othman and Ishak, 2009). According to Ekpoh and Edet, (2011) entrepreneurship has become one of the main alternatives for students after they graduate. This is because entrepreneurship offers many benefits, such as setting up one's own business and the possibility of having significant financial rewards than working for others.

Fostering entrepreneurship through education and training has also received increasing attention from universities in many countries. Universities and Colleges are the places where new products and processes, that lay and consolidate the foundation of new firms and enterprises, are created. Entrepreneurial education at tertiary level has also become an essential component of many curriculums in private and public higher learning institutions. Since future entrepreneurs can be found amongst those who are currently undergoing their educational process at the universities, entrepreneurship education has been used as one of the most effective ways to promote the transition of graduates into the world of entrepreneurship (Veciana *et al.*, 2005). Given the increasing importance of entrepreneurship in contemporary

careers for university graduates, this study aims to assess the attitude of Assosa University graduating class students towards self-employment.

Research Questions

Based on its objective this research will be able to address the following questions:-

1. What is the job preference of university students after graduation?
2. What is the current self-employment status of graduating students?
3. Do formal entrepreneurship education course have any impact on students' interest toward self-employment?

Objectives of the Study

The study is conducted with the overall objective of identifying attitudes of graduating class students towards self-employment. In line with the general objective, the specific objectives of the study include:

- To identify university students job preference after graduation
- To identify the influence of formal entrepreneurship education on students entrepreneurship attitude
- To assess the current self-employment status of graduating class students

LITERATURE REVIEW

Definition and Concepts of Entrepreneurship

There is no a single universally accepted comprehensive definition of entrepreneurship. Although researchers have been inconsistent with their definitions of entrepreneurship, they often contain similar elements, such opportunity recognition, newness, organizing, creating and risk taking. Entrepreneurship is not confined to any one particular industry, country or group of persons; it exists in everybody but depends on individual's desire. According to Hisrich and Peters (2002) "Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence". While, Johnson (2001) suggests a comprehensive definition of the entrepreneurship and entrepreneurial role: An individual who assumes responsibility and ownership in making things happen; is open to and able to create novelty; who manages the risks attached to the process; and who has the persistence to see through to some identified end-point, even when faced with obstacles and difficulties. In the broadest sense, an entrepreneur may be described as a person who has the ability to explore the environment, identify opportunities for improvement, mobilize resources and implement actions to capitalize on those opportunities.

Entrepreneurship is not confined to any one particular industry, country or group of persons; it exists in everybody but depends on individual's desire. Enterprising behaviour has been found in all societies, and in all types of economic circumstances. Whilst the term usually refers just to an individual, it is also possible to find whole organizations that can be classified as entrepreneurial in the way they do business and seek to grow (Michael, 2004).

Determinants of Entrepreneurial Interest

Generally, there is no agreement on the factors that drive individuals to become entrepreneur. However, a number of determinant factors could be identified from the literature. According to Czuchry and Yasin (2008) formal entrepreneurial education and gender were found to be positively influential factor among Welsh students who reported that they are likely to set up a business venture within three years of graduation.

Family and society background and experience had a significant influence in the orientation among British India and Chinese students towards entrepreneurship (Stella, 2008). Policies extensively consistent with economic freedom (such as secure property rights, low taxes, and low regulations) were reported to lead to robust entrepreneurial propensity in Virginia (Goodbody, 2002). The entrepreneurship process is a complex endeavor, carried out by people living in specific cultural and social conditions. For this reason, the positive and negative perceptions that society has about entrepreneurship can strongly influence the motivations of the people to enter entrepreneurship. Societies benefit from people who are able to recognize valuable business opportunities and who perceive that they have the required skills to exploit them. If the economy, in general, has a positive attitude towards entrepreneurship, this can generate cultural and social support, financial and business assistance and networking benefits that will encourage and facilitate potential and existing entrepreneurs. (GEM Global Report, page 20, 2012).

Environmental factors refer to environmental features that where a person live and influence on individual behavior and environmental factors can facilitate or hinder entrepreneurial activity. Therefore, Environmental factors play an important role in weakening or strengthening the intentions of people to create a new business. Because, people influenced by beliefs, values and beliefs, their social environment. Thus, entrepreneurship is an example of a planned behavior that infected by several factors (Nematoollah, *etal*, 2012).

Entrepreneurial Education

It is becoming increasingly obvious that entrepreneurship can be taught. According to Drucker (1985), entrepreneurship, like management and technology, is an age long practice, whose vital importance to economic growth and development has been explicitly exposed through studies, and brought to the realm of theory and practice. A similar conclusion was arrived at in Australia's National Youth Entrepreneurship Attitude Survey which identifies training and communication initiatives as key sources of positive entrepreneurial influence (Czuchry and Yasin , 2008)

The significance of entrepreneurship education being taught is based on the consideration that entrepreneurs are needed to solve the nation's socio-economic problems (Ciputra, 2011). There are two main reasons of the importance of entrepreneurship course in higher education. First, the fact that there are limited jobs offered in the marketplace. Therefore, entrepreneurship subject is taught to encourage students to create jobs to overcome unemployment problems. Second, the need to change students' mindset from finding jobs to creating jobs after graduation. In short, entrepreneurship education offers a mix of skill building and also a mindset shift from job seeking to job creation (Wilson and Sepulveda, 2010).

MATERIALS AND METHODS

Research Design

In order to achieve the pre-specified objectives the study was carried out by qualitative survey method. According to Leedy and Ormrod (2005), "Survey research involves acquiring information about one or more groups of people perhaps about their characteristics, opinions, attitudes, or previous experiences.

Population and Sample Size

The total population of the study was 423 and sample size 80 graduating class students of Assosa University respectively.

Data Collection Method and Instrumentation

The type of data for the research was collected through questionnaire which includes Likert-type scale. All scales in this study will be measured by seven point Likert scales ranging from 1 with strong disagreement to 7 with strong agreement.

Data Analysis

The data collected through questionnaire was analyzed through Statistical Package for Social Sciences (SPSS) Version 20. The data was screened and treated for errors and missing values. The data was first analyzed with a descriptive statistical analysis providing data for frequency and percentage of demographic and then Mean and standard deviation were computed for the interpretation of respondents' characteristics and their entrepreneurial attitude. The reliability measurement was used to ensure that the developed scales/factors measured consistently what were intended to be measured; the Cronbach's coefficient alpha will be employed to test reliability.

RESULTS AND DISCUSSIONS

Out of 80 questionnaires distributed, only 73 of them were found valid and used for analysis giving a usable response rate of (91.25%).

Demographic Profile

The respondents of the survey were graduating class students from government higher learning institution in Benishangul Gunuz Regional States, Ethiopia, namely from Assosa University. Regarding faculty 20 (27.3%) respondents were from natural and computational science, 18 (24.6%) respondents were from business and economics, 14 (19.1%) respondents were from social science and humanities and the remaining 12 (16.4%) and 9 (12.65) responding students were from faculty of agriculture and natural resource management and engineering and technology respectively. When we examine gender of respondents 34 (46.6%) of the responding students were females and 39 (53.4%) respondents were male. In terms of age out of 73 responding graduate class students, 37(50.7%) were between 20 – 22 years range, 25 (34.2%) of responding students were under the age range of 23 – 25 years. Whereas, the remaining 11 (15.1%) of respondents were above 25 years. The following table summarizes respondents' demographic profile.

Table 1. Respondents Demographic Profile		
Item Descriptions	Frequency	Percentage
Faculty		
Business and economics	18	24.6%
Agriculture	12	16.4%
Natural and Computational Science	20	27.3%
Social Science and humanities	14	19.1%
Engineering	9	12.6%
Total	73	100%
Gender		
Female	34	46.6%
Male	39	53.4%
Total	73	100 %
Age		
20 – 22	37	50.7 %
23 – 25	25	34.2 %
Above 25 years	11	15.1 %
Total	73	100 %

Source (survey of 2014)

Therefore, from the above table we can easily conclude that the samples selected represent all the faculties that are found in the university and there was insignificant difference in terms respondents sex composition. Finally, half of respondents were between 20-22 years range.

Respondents Current Self-employment Status

It's sometimes true that some students can be self-employed or engage in some business activities even while they are in university before graduation. These kinds of students make post self-employment decision before graduation and they choose their future career path. The level of self-confidence that is generally defined as "believing in oneself" may influence one's perception as well. Self-confidence is widely accepted as a valuable individual asset and a key to personal success. In their study, Be'nabou and Tirole (2002) explained why an optimistic self-view is seen as a good thing. According to them, self-confidence is valuable because it makes people happier, it makes it easier to convince others (rightly or wrongly) and improves the individual's motivation to undertake projects and persevere in the pursuit of his goals. The following table summarizes students' current self-employment status.

Table 4. 2. Students Current Self-employment Status			
Descriptions		Frequency	Percentage
Are you currently self-employed?	Yes	7	9.8 %
	No	64	91.2 %
Total		71	100 %

Source (survey of 2014)

As shown in the table 4.2., above 71 (91.2%) of responding students were not currently self-employed. Whereas, the remaining 7 (9.8%) of respondents were currently self-employed on one or the other way. Therefore, it is true that significant number of graduating class students' current involvement on self-employment activity is very low.

Students Job Preference

In order to examine attitudes of graduating class students towards self-employment they were asked their career choose right after graduation and the result shows that 43 (59 %) of responding students preferred employment (government or private), 18 (24.6%) of respondents first choose was self-employment. Whereas, 9 (12.3%) of respondents were indicated that they have a plan to continue their family business and 3 (4.1%) of respondents were not decided yet their career after graduation and 11 (5.4%) respondents were indicated that they have a plan to continue their family business. The following table summarizes respondents' job preference right after graduation.

Descriptions		Frequency	Percentage
What is your job preference after graduation?	Government/Private employment	43	59.0%
	Self – employment	18	24.6%
	Continue family business	9	12.3 %
	I am not sure	3	4.1%
Total		73	100 %

Source: (Survey of 2014)

Therefore, from the above table we can clearly understand that more than half of responding student's job preference after graduation was either government or private organization employment. This result reveals the fact that a significant number of graduating class students will be job seekers instead of creating their own jobs to be self-employed.

Gender and Students Career Choose

There seems to be unanimity on the fact that a gender based imbalance exists regarding self-employment in almost any context. According to Wang and Wong (2004), gender was found to be the most significant factor influencing students' entrepreneurial interest with females less self-employed than males. GEM, 2012 report indicates that early-stage entrepreneurs are 53% male, so entrepreneurship is slightly higher among males than females. However, more business women than business men are motivated by opportunity and thus, may be running more sustainable enterprises, although male entrepreneurs tend to have the intention to create jobs for others than females. Table 4.4 Provides a comparison of gender and students' carrier choose after graduation.

Table 4.4. Gender and Respondents Carrier Choose

Carrier Choose	Gender of Respondents		Total
	Male	Female	
Employment	21 (53.5)	22 (64.7)	43 (59.1)
Self-employment	11 (28.2)	7 (20.6)	18 (24.6)
Continue family business	5 (12.8)	4 (11.8)	9 (12.3)
Not decided	2 (5.2)	1 (2.9)	3 (4.1)
Total	39 (100)	34(100)	73 (100)

Note: (figures in parenthesis are percentages) Source: (Survey of 2014)

As shown in the table 4.4 above, while most graduating class students 43 (59.1 %) of Assosa university, preferred employment (government or private) among other alternatives. However, when we compare the gender of respondents with their career choice, out 34 female respondents 22 (64.7%) were preferred government or private organization employment. This is significant in number as compared to male respondents were out of 39 only 21 (53.5.0%) were preferred employment. These finding is consistent with other previous research findings (Willie, and *etal.*, and Czuchry and Yasin, 2008) were gender was found to be the most significant factor influencing students entrepreneurial interest. The Global Entrepreneurship Monitor (2012) reported that the ratio of male to female participation in entrepreneurial activity varies considerably across different economies, possibly reflecting differences in culture concerning women's participation in the economy. Therefore, aside from different gender participation rates, women show significant differences from men in attributes such as their attitudes about entrepreneurship, the industries they operate in, and their ambitions for growth.

Students Future Self-employment Plan

There seems to be a consensus on the proposition or suggestion that the family is the primary agent of socialization students to self-employment. Parents are seen as role models exercising both intentional and hidden technical influence on their words as they set norms, values and orient behaviors in the course of daily life of their children. Thus, the children on daily basis observe and take up certain potential values passed on to them by their parents, all of which shape their future personality and career (Willie and *Etal.*, 2009). Table 4.5 Offer a summary of the survey result of students future self- employment plan.

Table 4. 6. Students Future Self-Employment Plan

Descriptions	Frequency	Percentage	
Do you plan to be self-employed in the near future after you graduate?	Quite Unlikely	26	35.6%
	Very Unlikely	21	28.8%
	Very Likely	14	19.1 %
	Quite Likely	11	16.5%
Total	73	100 %	

Source (Survey of 2014)

The above result shows that 26 (36.6%) and 21 (28.8%) of respondents indicate that they quite unlikely and very unlikely start their own business in the near future after graduation. However, 14 (19.1%) were indicate that they very likely start their own business after graduation and the remaining 11 (16.5%) of responding students indicate that they quite likely start their own business right after graduation. Therefore, the above result clearly reveals the fact that more

than half of graduating students indicate that they ‘quite unlikely’ (35.6%) or ‘very unlikely’ (28.8%) will start their own business after their graduation. These figures are not more promising as compared to current small number of self-employed students.

Influence of Entrepreneurship Education

According to Willie and *Etal*, (2009) on survey conducted on Nigerian undergraduate students, they identified that specialized and practical education directed towards entrepreneurship has a significant influence in motivating students to become entrepreneurs. Table 4.12 provides the summary of the means and standard deviations of entrepreneurship education with regard to its significance in motivating students towards entrepreneurship. The analysis of these factor is grounded on seven measurement scale (7 means strongly agree, 4 means moderate agreement and 1 is strongly disagreement). The first item, “Entrepreneurship course that I attend motivates me to be self-employed” with a mean of 3.45/7 with a standard deviation of 1.98. The mean and standard deviation of the second item “Entrepreneurship course I attend enhanced my practical management skills in order to start a business” rated 3.35/7 with standard deviation of 1.80. The mean for the third item “Entrepreneurship course that I attend increased my understanding of the action someone has to take in order to start” rated 3.32/7 with standard deviations of 1.75. The last item “I have taught seriously to start my own business after graduation” rated 2.33/7 with standard deviation of 1.61. When we examine the scale the significance of entrepreneurship course to enhance students towards entrepreneurship indicates that the overall average is negative with a mean of 3.11, which implies that the course have insignificant influence in motivating, enhancing and acquainting students with essential entrepreneurial skills, knowledge and on creating strong passion towards entrepreneurship.

Table 4.7. Influence of Entrepreneurship Course (Average mean = 3.11)

Items	N	Mean	Std. Deviation
✓ Entrepreneurship course that I attend motivates me to be self-employed after graduation	52	3.45	1.98
✓ Entrepreneurship course that I attend enhanced my practical management skills in order to start my own business	52	3.35	1.80
✓ Entrepreneurship course that I attend increased my understanding of the action someone has to take in order to start a new personal business	52	3.32	1.75
✓ I have taught seriously to start my own business right after graduation	51	2.33	1.61

Source (survey of 2014)

CONCLUSIONS AND POLICY IMPLICATIONS

Conclusions

The objective of this study was to examine the attitude of graduating class students towards self-employment. Further, it was aimed to find out the influence of the formal entrepreneurship course offered by the university on motivating students towards self-employment and make them ready for the challenges which are part of self-employment activities. Generally, when we examine the analysis it reveals that significant number of graduating class students' job preference right after graduation was employment (government or private). When we compare the influence of gender on student's attitude towards self-employment; female students are less interested in self - employment when compared with their male counterparts. Further, only insignificant number of graduating class students are currently in one or the other way involved in entrepreneurial or self-employment activity and majority them do not have even a short-term self-employed plan in the near future after graduation.

It is obvious that, prior exposure to entrepreneurship education has a positive effect on students' attitude toward a career in entrepreneurship. Therefore, entrepreneurial education plays a significant role to entrepreneurship and self - employment as students who had taken entrepreneurship course are more likely to be interested in start-ups of their own business at some point of time. The entrepreneurship course offered by the university is intended to recognize and overcome obstacles to creative problem-solving, develop a concept for an innovative product or service in his or her own area of interest and stimulate and enhance students to self-employment. However, the entrepreneurship course offered by the institute under study was unable to motivate, encourage and equip students with necessary courage, skills and knowledge to create jobs to overcome unemployment problems and fail to achieve its pre – specified objectives.

Policy Implications

Fostering Entrepreneurship is the key strategic tool to sustain overall socio-economic development of any nation specially to overcome unemployment problems in the twenty first century. Therefore, in order to change students' mindset from finding jobs to creating jobs after graduation the education institutes, ministry of education and other stakeholder would be well advised to expand the formal entrepreneurship courses and arrange short-term trainings in order to train students with correct profile to make them a successful entrepreneur. An entrepreneurial intention is a commitment to start a new business and intentions are immediate antecedents of actual behavior. Thus, government, the Universities and all concerned stakeholders those who involved in promoting entrepreneurship should try to improve the image of entrepreneurship as an attractive career alternative, this could positively affect students' attitude towards entrepreneurship. It is obvious that entrepreneurship education plays a significant role in the development of entrepreneurial intention. But, the entrepreneurship course offered by institutes under the study were fail to do so. Teachers should need to have not only the necessary theoretical knowledge in entrepreneurship to teach, but also personal experiences that will inspire students as well towards entrepreneurship. Therefore, entrepreneurship course teachers should, encourage the development of creative ideas for being an entrepreneur, provide the necessary knowledge about entrepreneurship, and develop the entrepreneurial skills specially by making the course more practical. This will increase students' level of self-confidence, perceived difficulty of starting their own business from the

scratch and taking risks associated with the business and it will create positive attitude towards entrepreneurship.

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