

Entrepreneurial intentions among Russian students – an integrated model.

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Introduction

New business creation is a volitional behavior that is intentional in nature. The intention to create a business is an important antecedent of actual efforts to start a business. Our understanding of entrepreneurial intentions has to a large extent been guided by two models: (1) Shapero & Sokol's (1982) model of the entrepreneurial event (SEE); and (2) Ajzen's (1991) theory of planned behavior (TPB).

In the SEE model, entrepreneurial intentions are derived from perceptions of desirability and feasibility, and a propensity to act upon opportunities. In this model, perceived desirability is defined as the attractiveness of starting a business, perceived feasibility as the degree to which the individual feels capable of starting a business, and propensity to act as the personal disposition to act on one's decisions. While the SEE model was developed to understand entrepreneurial intention and behavior, Ajzen's TPB was developed to explain individual behavior in general. According to the TPB attitudes, subjective norm and perceived behavioral control determine intentions. Intentions, in turn, along with perceived behavioural control determine actual behavior. Empirical testing of entrepreneurial intentions among students has found support for both the SEE model and the TPB (Kolvereid, 1996; Krueger et al. 2000). Krueger (1993) argued that attitude in the TPB encompasses the notion of perceived desirability in the SEE model. He also argued that subjective norm overlaps with the notion of desirability and feasibility, and that feasibility overlaps with perceived behavioral control. Bagozzi (1992) suggested that attitudes may first be translated into desires, which then develop into intentions to act, which direct action. Armitage and Conner (2001) speculated that desires would inform intentions, upon which behavioural self-predictions are partly based. They argued, however, that further work is needed to test the causal relationship between desires, intentions, and self-predictions.

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More recently and based on a review of the literature, Shook, Priem and McGee (2003) suggested several future directions for research on entrepreneurial intentions. Among their recommendations, researchers were encouraged to integrate and reduce the number of alternative intentions models and to use a consistent definition of entrepreneurial intent. The purpose of the present research is to reply to these challenges by investigating whether the SEE model and the TPB can be integrated into one encompassing model, and to investigate the extent to which this model is able to predict individuals' employment status choice intentions (i.e. the decision to become self-employed) as well as the intention to start a business. More specifically, the present research focuses on the following two research questions:

- (1) Are employment status choice intentions different from or similar to intentions to start or acquire a business?*
- (2) How are the independent variables from the two intention models in question related to each other and to entrepreneurial intentions?*

Methodology

A questionnaire was administered to university business students in St Petersburg in Russia (n=317). Attitude towards self-employment was measured by a scale developed by Gundry and Welch (2001) and slightly modified by Kolvereid and Isaksen (2005). The measure of subjective norm was adopted from Kolvereid (1996). The perceived behaviour control measure was constructed based on the examples provided by Ajzen (2002) concerning the measurement of perceived controllability of behaviour. Perceived desirability and feasibility was measured by four items asking the respondent to evaluate how desirable and feasible starting a business and being self-employed would be. The measure of propensity to act was taken from DeNoble et al. (1999), who developed a 3-item measure of the ability to cope with challenges and two items suggested by Chen et al. (1998) of the ability to work under risk and uncertainty. Finally, entrepreneurial intention was measured by 3 items adopted from Kolvereid (1996) concerning employment status choice, and 3 items adopted from Krüeger et al. (2000) concerning intentions to start a business. Questionnaire was translated and back translated to Russian language and pre-tested on the group of students.

To answer the research question Multivariate Regression Analysis is going to be applied. This technique allows to test two competing models with three different dependent variables (self employment, start up and acquisition) as well as to find out whether the variables from two different models can be integrated into the one model.

Results and Discussion

The present research investigates whether the Theory of Planned Behaviour (Ajzen, 1991) and the model of the Entrepreneurial Event (Shapero & Sokol, 1982) can be integrated into one model of entrepreneurial intentions. Furthermore, it is investigated whether different definitions of entrepreneurial intent, i.e. the intention to become self-employed and the intention to start a business make a difference in the model. This research presents the first attempt to test models of entrepreneurial intentions that incorporates *multiple and competing explanations* on the decision making process to launch a new venture. The findings should indicate whether or not it is important for researchers to distinguish between different types of entrepreneurial intentions, as well as whether it is possible to integrate two commonly used models of entrepreneurial intentions. This study takes an important initial step in understanding the drivers behind entrepreneurial intention. The findings have important practical implications and open several new avenues for future research.