# ATTITUDE AND SELF-ESTEEM VERSUS ENTREPRENEURIAL INTENTIONS AMONG YOUNG IN POLAND

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#### Abstract

The main aim of the paper is to present the relation between intentions to become an entrepreneurs among young polish people and the two factors with possible influence on it: self-efficacy and attitude towards entrepreneurship. Two groups of young people were examined: students enrolling the Management Faculty at Gdańsk University of Technology, and pupil from high schools, attending "Entrepreneurship" classes. It appeared that people who perceived themselves as self-efficacy reported to open own firm in the future more often than others. On the other hand the positive attitude towards entrepreneurship doesn't seems to have an influence on reported intentions to become an entrepreneur. Those research will be continue to verify, how the studding process influence the readiness to become entrepreneurs among students.

Keywords: entrepreneurial intentions, entrepreneurship, attitude

#### 1. Introduction

As Henderson and Robertson (2000) pointed, the future will depend on the young people, but unfortunately there is lack of knowledge about young adult views on entrepreneurship. Thenceforth, the researchers were determined to find either personal or contextual factors which indicate entrepreneurial action among young people (Turker and Selcuk, 2009; Linian et al., 2011) as well as differences between students from various countries (Giacomin et al., 2011). Other researches, tried to observe if the entrepreneurship attitudes, skills and behaviour could be

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learn during any educational program implemented in to colleges or universities (Oosterbeek et al., 2010; Graevenitz et al., 2010). It gave us an idea to verify whether in Poland we can expect the young people to become an entrepreneur, and what are the set of factors influencing their intention to become one.

#### 2. Intentions

Krueger *at al.* enumerated the role of intentions in entrepreneurial world, like their influence on: business formation, entrepreneurial training, and entrepreneurial behaviour (Krueger et al., 2000). However the most extended works relying on intention models refer to an intention to become an entrepreneur (e.g.: Davidsson 1995; Shapero 1982; Gupta et. al. 2008; Gelderen et al., 2008). Only some works touch the problem of intentions to grow the firms (Welter 2001; Wiklund, 2001; Dutta and Thorngill, 2007).

There is no doubt that intentions are the cause of most actions, therefore they are good predictor of behaviour, explaining up to 30% of them (Krueger et al, 2000). Most of the papers referring to entrepreneurial intentions, quotes two models: Ajzen's Theory of Planned Behaviour (TPB) and Shapero's model of Entrepreneurial Events (SEE). The scope of the first one is broader than entrepreneurship, since it was incorporated into the health care, safety and marketing. The second, even in its name, is directly related to an entrepreneurship.

Both models present similar factors influencing intentions. Ajzen in his TPB model pointed that intention is the result from a given person's expectations of some benefits from the behaviour, which is corrected in terms of social and other norms, and additionally achievable at the moment by this person (Ajzen, 1991). According to Shapero SEE model, intention is the resultant of one's expectations of some benefits from the behaviour, together with self-evaluation of possibilities and will to act in the manner corresponding with this behaviour (Shapero, 1982).

Those models however use mainly psychological approach. We know that also other groups of factor can influence decisions to become an entrepreneur. Very interesting proposition was produced by Davidsson (1995) who combined two approaches: psychological and economical, presenting an integrated model of determinants of entrepreneurial intentions (Fig. 1).

Starting the explanations of the model from the right side we have conviction consists of perceived self-efficacy present in Ajzen, Fishbein model, meaning: *I can, I am able to*, but also items suggesting that this will be profitable from economical point of view: *I will improve my economic situation*. Self-efficacy seems to have very high influence on entrepreneurial intentions, which was proved by Chou, Shen and Hsiao in their work concerning students entrepreneurship (2011).

Situation refers mainly to the employment situation of a person. It is proved that during any king of recession, the number of people opening the business increases. Moreover, some researchers pointed out, the relation between situation in certain group of countries, with lower income, and intentions to start own business (GEM reports; Iakovleva et al., 2011).



**Figure 1.** An economic-psychological model of determinants of entrepreneurial intentions. *Source*: (Davidsson, 1995)

General attitudes refer to the attitudes towards such a domains as change orientation, competitiveness, achievement motivation, autonomy and is not related to the fact of being entrepreneur or not. From psychological point of view attitudes are defined as a certain regularities of an individual's feelings, thoughts and predisposition to act toward some aspect of individual environment (Maio, Haddock, 2010).

The domain attitudes refer to the domain connected to the entrepreneurship In term of entrepreneurship, attitudes seems to be used mostly to measure the correlation between risk attitudes and entrepreneurial behaviour (Block et al., 2009; Caliendo et al., 2010). However, the general approach, which apply the term "entrepreneurial attitudes", continuously focus on dependence between attitude and entrepreneurial activity. (Shiney, 2011; Veciana et al., 2005). The entrepreneurial attitudes were indicated as e.g. "perceive good opportunities for start – ups in the region", "claim to have knowledge and skills to start the firm" or "fear of failure as barrier when comes to setting up a business" (Bosma, 2009).

And finally personal background which can be described as gender, experience, education, age etc but in relation with entrepreneurship.

#### 3. Research proposition

Literature gave us a background for shaping own model, which could be used to investigate the entrepreneurial intentions of young people. We decided to include only two factors influencing intentions: self-efficacy and attitude, both present in some form mentioned above in Ajzen and Shapero models, as well as in the Davidsson model.

In psychology the term "self-efficacy" has been defined as: people's beliefs about their capabilities to produce designated performance (Bandura, 1994). The key contentions as regards the role of self-efficacy in human functioning is that "people's level of motivation, affective states, and actions are based more on what they believe than on what is objectively true" (Bandura, 1997: 2). Therefore, people are motivated by subjective believes about their self-efficacy rather than by objective competences (Markham et al., 2002). Having those assumptions in mind we relied on the self-reported feeling about being entrepreneurial or not as self-efficacy measurement.

We also believe that high self-efficacy is one of the most important factor influencing the choices of future engagements by young people. We are aware that the relation between self-efficacy and entrepreneurial intentions in other countries proved to be very important, however we wanted to check whether it is also true for polish students.

We believe, that in polish reality, one of the very important aspect of attitude is an internal believe whether the certain activity is accepted by the environment or not. Therefore the attitude would measure the extent to which an individual values positively or negatively some behavior connected with entrepreneur. We used the scale: I strongly disagree, disagree, no idea, agree, strongly agree for attitude. Two hypothesis were formulated:

- H1. Those who feel entrepreneurial, plan to open own firm in the future. We also expected that the positive attitude towards entrepreneurs would have some influence on plan to be one. This was reflected in the second hypothesis:
- H2. Those who perceive entrepreneurs as a "good guy" plan to open own firm more often than others.

We know that this research proposition focuses only on some of the factors influencing the entrepreneurial intentions. For example we completely ignore the person background. We believe that for example a gender would play an important role (more about the relationships between gender and self-efficacy in Wilson et al., 2007). The point is that the number of young women declaring themselves as having entrepreneurial intentions were not numerous, therefore, we decided not to investigate this factor. However this is only a beginning of our path to answer the question, what influence the entrepreneurial intentions of young people.



Figure 2. A research model

### 4. Data

Looking for most appropriate group of responders for evaluating entrepreneurial attitudes among young people, we decide to rely on the research which are done every year on the students who just enrolled the university and additionally we also asked the pupil from the high schools.

The data was gathered at the beginning of the semester 2009 among the students from Faculty of Management and Economics, Gdańsk University of Technology. At the moment of inquiry they were at the first semester of their study. All together 436 questionnaires were completed, farther referred as TUS.

The second pool of data came from the high school students, who were attending the course: Introduction to entrepreneurship. The questionnaire for them was very similar to this for University students. Only questions addressed directly to study were omitted. On the other hand some questions concerning evaluation of *Introduction to entrepreneurship* course, and the future study plans were introduced in High school questionnaire. In the case of High School Students (referred as HSS) 486 completed questionnaires were gathered.

#### 5. Results

The next step in our research was to evaluate entrepreneurial intentions, which means to define the share of students who intend to set own firm. The share of those who would like to open the firm among high school students is 44,3% and among university students 54,9%. Among them 20% of HSS and almost the same share of TUS believe that they open the firm during study or after it. 24,3% of HSS and 34,8% of TUS stated that they need some experience before opening the firm. The predominance of both group 42,8% of HSS and 41,3% of TUS answered *I* don't know. Finely less than 3% of both group said definitively no (Fig. 3).



Figure 3. Intention to have a firm among investigated students. Source: own

We perceive those answers as quite interested. It seems that 45% of HSS, and 55% TUS is ready to be an owner of a firm in the future. And only 3% of them (in both cases) are sure that they would not be an entrepreneur. Comparing our finding with other research conducted in 44 Universities in Poland among 202 students when 51% of students declared the readiness to open a firm (Banerski, Gryzik, Matużak, Mażewska, Stawasz, 2009), we can say, that our 54,9% plus 0,8% of those who already have a firm is quite a good result. Some similar studies were also carried out in Tallin – it appeared that 80% of students in Estonia are actively thinking about business or have one. But it can't be compare with our results, as the age range of respondent was between 20 and over 30, while we investigated very young people 19–20. On the other hand, data from Program for International Student Assessment (PISA) 2006, shows that Polish pupils, starting the high schools, are among those with lower entrepreneurial intentions, compared to the other nations, as only 1.6% of them wanted to be an entrepreneur at the age of 30 (such a question was asked during the PISA research, which in 2006 were completed among 15-years old pupils, all together 192 118, from 27 countries) (Falck and Woessmann, 2010) (Fig. 4).



Figure 4. Entrepreneurial intentions according to PISA data. *Source*: Falck and Woessmann, 2010

To examine our hypothesis H1, we investigate also whether the participants feel entrepreneurial. The general results are shown in Figure 5.



Figure 5. Self-evaluation of students. Source: own

The results show that TUS are feeling themselves more entrepreneurial than HSS. About 74% of TUS felt entrepreneurial while 56% HSS felt this way. And further, about 4% TUS did not feel entrepreneurial at all, while 13% HSS chose this answer. We suppose that it is the results, that in case of HSS we asked students from different profiles: mathematical, humanistic, geographical, medical etc. TUS were homogeneous, all of them study at the Management and Economics Department.

However we were interested in relation between the self-perception of being entrepreneurial and intentions to have a firm in the future. A distribution of answers among TUS are presented at Figure 6, while Figure 7 shows the answers of HSS.



Figure 6. Self-evaluation and intention to open own firm (TUS). *Source*: own. Note: INT stands for intention to open a firm, SE for self-evaluation as entrepreneurial. Lacks of answer are not shown

Those who felt entrepreneurial in about 63.3% intend to set the firm (during or after study, or after gaining experience), while only 0.9% of them do not intend to set a firm. In a group of students who answered "no I am not entrepreneurial" 29.4% answered that they don't want to open their own business but there were still 17.6% of participant who said that maybe they open after gaining some experience. There are also more non-entrepreneurial than entrepreneurial participants who do not know yet if they want to open own business, but of course the predominant answer is "don't know whether I open the firm" and "neither- nor entrepreneurial".

While the above results seem to have a rational explanation and confirm our hypothesis H1, we drew a particular attention to next outcomes. There are 11.8% (about 50 person) of students who had low entrepreneurial self-evaluation and who already had their own business (11.8%) by contrast with only 0.3% of high entrepreneurial students who answered, I have it already. This result, at first, seems strange and inconsistent with the objectives of the study. If they are not entrepreneurial, they shouldn't have their own business. However, it appears that it can be logically interpreted: feeling entrepreneurial is based on many assumptions, among others on self-efficacy, and self-esteem. And self-efficacy may be modified by the current situation. For example, by difficulties resulting from the reality of doing business. If something goes wrong, if there are difficulties hard to resolve, their self-efficacy and even feeling entrepreneurial strongly decreases, but they still have a firm.



Figure 7. Self-esteem and intention to open own firm (HSS). *Source*: own. Note: INT stands for intention to open a firm, SE for self-evaluation as entrepreneurial. Lacks of answer are not shown

In case of high school students – there is 60.8% among participants who felt entrepreneurial, versus 24.2% who felt not and have intention to open their own firm (during or after study, or after gaining experience). In a group of participant who answered "no I am not entrepreneurial" 22.6% answered that they don't want to open their own business, while in group who feel entrepreneurial only 6.6% chose this answer. Also "don't know" was more often indicated by students who did not felt entrepreneurial (53.2%) than entrepreneurial (32.6%).

These results allow us to conclude, that in a group of High School Student, as well as in group of Technical University Students, there is some correlation between entrepreneur self-esteem and intention to open own business. This in principle confirm our hypothesis H1.

Although some differences are visible. In a group of TUS who felt entrepreneurial there is slightly more respondents showing the willingness to open their own firm than in a group of entrepreneurial HSS. Also less entrepreneurial TUS than HSS answered "no" for this. While in group of non – entrepreneurial participants opposite results were obtained. More not-entrepreneurial TUS than HSS claimed that they will not open their own business.

To examine our hypothesis H2, we explored the attitudes of student towards entrepreneurs. To do this we asked whether the entrepreneur is a person who could be described as ... self-confident or dynamic or ..... etc. The results are presented at Figure 8.



Figure 8. Positive attitude toward entrepreneurs. Source: own

The results showed that more than 90% of participants assess entrepreneurs as a good organized, self-confident and creative person. More than 80% assess them as easy going and dynamic, and much more than half (70–60%) as a charismatic social responsible and also risk liking. Only the result of response to a

question whether the entrepreneur is easy adjustable, is relatively the lowest, less than 50% agreed with that statement.

The positive attitudes were also proved by the answers about the negative aspects of entrepreneurship: like being dishonest, focusing only on money etc. The results are presented Figure 9.



Figure 9. Negative attitude towards entrepreneurs. Source: own

Also in this case, the results indicate a positive attitude towards entrepreneurs. As shown at Figure 6 the respondents denied the statement that the entrepreneur is a dishonest person (more than 70%) or is interested only in money (more than 50%).

These results indicate that the respondents generally have a positive attitude towards entrepreneurs. This outcomes we take as a positive, particularly in the context of changes in our society. Probably if this question would be asked some years ago, or other age groups, such attitudes would not be so obvious. The new generation doesn't remember an early "camp beds and jaws" entrepreneurship period in Poland.

However according to this research the hypothesis 2 cannot be confirmed, because there is no correlation between positive attitude towards entrepreneurs and intention to set own firm.

## 6. Discussion

As we predicted the first Hypothesis saying about relation between selfefficacy evaluation (as entrepreneurial person) and intention to open the firm was confirmed. The second one, stating that the attitude toward entrepreneurs can have an influence on the intention to open the firm were not confirmed, as most of the students feel that entrepreneur is a "good guy".

To explain this failure we use the psychology to understand more deeply this situation. From psychological point of view attitudes are define as a certain regularities of an individual's feelings, thoughts and predisposition to act toward some aspect of individual environment (Maio and Haddock, 2010). We can name three components of attitudes:

- affective component: feelings *I like entrepreneurs*,
- cognitive component: perception, thoughts, believes they are good guys, hard working etc,
- behavioural component: acting, observable behaviour I want to be like them, I will open my own business

Very often we can see that people know (cognitive components) that smoking harms health but they still smoke. People are afraid of dentists (affective component) but use their services. In our case examined attitudes were related most to cognitive or affective components about entrepreneurship in general meaning.

Ajzen and Fishbein stressed that behavior is based on behavior intention. And this particular factor is affecting by specific attitude and social norms likewise by perceiving behavioral control, which means an individual's perceived ease or difficulty of performing the particular behavior (Ajzen, 1985). From the psychological point of view perceived behavioral control came from concept of self-efficacy (Fishbein and Cappella, 2006) and is defined as perceived belief of control. In other words, if the level of self-efficacy is high, the intentions to behave in a certain way could be stronger, and could also have strong impact on the real action.

### 7. Conclusion

The intention to open the firm among young people in Poland is quite big – half of them, according to our and others research are ready to do so in the future. We also find out that the intention to open the firm is related to the self-efficacy, which we define as perception themselves as an entrepreneurial. However we know that knowledge and experience is very important is building self-efficacy. Our research has showed that both, TUS and HSS, know that they need more experience. On the other hand we asked very young people who, in a fact started their studies or just finishing the high school, therefore the level of knowledge, even about entrepreneurship can be limited. We intended to came back to the same group of technical university students after their last year of study, and ask the same question about intentions. We are not sure, whether our education system (and social environment) is good enough to give them the formal education but also realized their: knowledge, abilities, competencies. We know that the formal education in general doesn't encourage entrepreneurship, it prepares students for the corporate domain, promotes a ,,take-a-job" mentality. However study period is extremely important in shaping young people, strengthening their good selfperception, and entrepreneurial behaviors (not only during the entrepreneurship courses) which would lead to higher level of new firms. According to a new regulation in higher education the role of university, among others, would be to shape the attitude, according to the type of study, not only pass the knowledge. Therefore shaping entrepreneurial attitude among management and related studies, would be a big step toward educating entrepreneurial society.

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#### POSTAWY I SAMOOCENA W KONTEKŚCIE INTENCJI PRZEDSIĘBIORCZYCH MŁODYCH POLAKÓW

Celem artykułu jest przedstawienie wyników badań dotyczących zależności pomiędzy postawami młodych Polaków wobec przedsiębiorczości oraz poczuciem własnej skuteczności, a gotowością do otwarcia własnej firmy. W tym celu zbadano dwie grupy respondentów: studentów pierwszego roku kierunku Zarządzania i Ekonomii Politechniki Gdańskiej, oraz uczniów ostatnich klas szkół średnich biorących udział w zajęciach z przedmiotu "przedsiębiorczość". Uzyskane wyniki pozwoliły stwierdzić między innymi, że osoby oceniające się jako przedsiębiorcze, posiadające poczucie skuteczności, charakteryzują się gotowością do założenia własnej firmy. Podczas gdy, pozytywne postawy wobec przedsiębiorczości, występujące dość powszechnie w badanej grupie, nie przekładały się bezpośrednio na taką gotowość. Zaprezentowane w artykule badania będą kontynuowane w celu oceny występowania ewentualnych zmian wynikających z wpływu procesu edukacji na intencje przedsiębiorcze.