

Family Background and Entrepreneurial Intention of Fresh Graduates in Nigeria

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Abstract

This study seeks to assess, empirically, the impact of family background on the entrepreneurial intention among fresh graduates in Nigeria. The family as a social institution remains resilient in its psychological functions in Nigeria. It is a source of finance and human resources, social and cultural values, and role modeling. While studies have shown that family background is one of the numerous determinants of entrepreneurial intention, we know little about the role which family background plays in the promotion of entrepreneurial intentions in Nigeria, especially among the fresh graduates. This study, therefore, seeks to test the hypothesis that family background has significant influence on the entrepreneurial intention among fresh graduates in Nigeria. We draw a sample of 250 corps' members, currently serving with the Nigerian Youth Service Corp (NYSC) in Bayelsa state, using a simple random sampling technique. With the aid of the primary data collected, our findings are quite revealing. Following the preliminary conclusions drawn from this study, we offer suggestions for further studies.

Keywords; Entrepreneurial intention, perception of feasibility, perception of desirability, family background, and Problem-Based Learning.

1. Introduction

The importance of entrepreneurial activities in a developing country like Nigeria cannot be overemphasized. Its potentials include the creation of positive multiplier effects on the whole economy through employment generation, capacity building, improved standard of living and economic growth. Therefore, priority should be given to the study of the factors that spur entrepreneurial intentions among graduates in Nigeria with a view to promoting better policies and programs aimed at redirecting our emphasis on entrepreneurship as a tool for development and smart economic growth.

The family as a social unit comprises members who constitute the significant others in our environment today. So far, the role of the family in venture creation decisions has been explained from three different perspectives; the classical perspective, the cognitive perspective, and the social embeddedness stance (Aldrich and Cliff, 2003). The last among these perspectives argue that people are implicated in networks of social relations. We, therefore, concur with the words of Aldrich and Zimmer (1986) that individuals' decisions to start a business is not derived from a vacuum, but they often engage in consultations and are subtly influenced by significant others in their respective environment.

More importantly, the family play three key roles in venture creation decision making; a source of financial and human resources (Zhang, Wong, and Soh, 2003), a source of information and credible values (Renzulli, Aldrich, and Moody, 2000;), and a source of role models (Krueger, 1993; Pruett, Shinnar, Toney, Llopis and Fox, 2009). Hence, the family is considered to be influential, especially, in the early stages of the life cycle of a business venture (Klyver, 2007). However, earlier empirical studies (Moore and Unwalla, 1964; Shapero, 1982; Scott and Twomey, 1988; Scherer, Carley and Weibe, 1989; and Katz, 1992) have argued that there is more to the role of family background than just family members or family business in the decision making process of a new venture creation.

Interestingly, scholars in recent times are still interested in the role of family in new venture creation decision making but the horizon of these studies have been broadened to include other issues such as; perceived family support (Turkur and Selcuk, 2008), family business tradition (Altinay, 2006), family business experience (Wang and Wong, 2004), family transitions (Cramton, 1993), family business ownership and parent work experience (Carr and Sequeira, 2007). Despite the diversity in focal points, there are still a few scholars who strongly believe that empirical analysis of the role of family background on venture creation decision making process is yet to be fully exhausted. Notable among these scholars are Kolvereid (1996), Drennan, Kennedy and Renfrow (2004), Veciana, and Urbano (2005), Hadjimanolis and Poutziouris (2011), and Altinay, Madanoglu, Daniele and Lashley (2012).

In addition, the emerging trends in households' composition and the emerging antecedents of these compositional transformations (Aldrich and Cliff, 2003) make the role of family background a relevant subject of discussion in this 21st Century. With specific emphasis on a developing country like Nigeria, experience shows that there is a decline in parents' involvement in children's socialization process, as well as

intergenerational contacts. Women employment rate is increasing while little time and effort is devoted to credible household upbringing. Also, an increasing proportion of children now work for their own daily survival from discretionary income earnings. Consequently, there is a reduction in perceived risks, the level of discussions, and the perceptions of adequate start-up resource availability, especially at the family level.

Considering the lingering challenges associated with these changing trends in households' composition and the emerging antecedents of compositional transformations, we are compelled to examine, empirically, the relationship between family background and entrepreneurial intentions, especially among the fresh graduates in Nigeria. Specifically, this paper seeks to provide answers to the following questions; "Is there a relationship between family background and the perception of venture desirability among the fresh graduates in Nigeria?" "Is there a relationship between family background and the perception of venture feasibility among the fresh graduates in Nigeria?" and "Is there a relationship between family background and entrepreneurial intentions among the fresh graduates in Nigeria?"

This paper is, therefore, divided into four additional sections. The next section briefly reviews pertinent literature and discusses the theoretical framework. Section three discusses the research methodology. Section four is the presentation and the analysis of results. The final section discusses the summary of findings, the conclusions and the recommendations.

2. Theoretical framework and hypotheses

2.1 The models of entrepreneurial intention

In the last three decades, the functions, activities, and actions that are associated with opportunity identification and exploitation, as well as the creation of organization have consistently dominated discussions in the field of entrepreneurship. In the middle of these discussions, however, lies the concept of entrepreneurial intention. Specifically, we have witnessed the emergence of intention-based models in the eighties and nineties, even though discussions on new venture creations have been in existence long before then. These models are summarized in Table 1 below.

Table 1: Evolution of Entrepreneurial Intention Models

	Models	Author(s)	Explanatory Factors
1980s	Entrepreneurial Event Model (EE)	Shapero & Sokol (1982)	Perception of Desirability
			Perception of Feasibility
			Tendency to act
			Precipitating events
1990s	Theory of Planned Behaviour (TPB)	Ajzen (1991)	Subjective norms
			Behavioural control
			Subjective attitude towards behaviour
	Entrepreneurial Attitude Orientation (EAO)	Robinson et al (1991)	Self-esteem
			Achievement
			Innovation
			Perceived personal control
	Entrepreneurial Potential Model (EPM)	Krueger & Brazeal (1994)	Desirability
			Feasibility
			Propensity to act
	Davidsson's Model	Davidsson (1995)	General attitudes & domain attitudes
			Current situation

Source: Guerrero, Rialp and Urbano (2008)

It is worth mentioning, at this point, that these intention-based models are homogenous in nature. In other words, they have three common identities. First, they focus more on the pre-entrepreneurial stage. Second, they integrate attitude and behaviour theories. Finally, they can also be traced to self-efficacy and social-learning theories (Peterman and Kennedy, 2003). Considering all of these similarities, these models emphasize that the intention to start a business is a function of exogenous factors, environmental factors, as well as volitional

conditions. On the basis of these, Krueger, Reilly and Carsrud (2000) conclude that even though the models are different, the proportion of the variations in intention to start a business explained is minimally different.

These models are, however, not void of shortcomings. For instance, Krueger et al (2000) noted that these models examine the intention to start a business without due regard for the timing and condition of venture creation. Shook et al (2003) also noted that these models contend that the creation of a new venture must be preceded by the development of intentions to create a new venture. These criticisms are worthwhile, yet they are very informative. Understanding entrepreneurial intention will not only deepen our understanding of venture creation predictions, it would also help us in our pursuit of entrepreneurship among young people for the purpose of achieving smart economic growth.

For the purpose of this article, we have chosen to use the entrepreneurial event model (EE) postulated by Shapero and Sokol (1982). This model dwells on one hypothesis. That is, a person's intent to start a business will be determined by three variables; the perception of feasibility, the perception of desirability, and the propensity to act. A notable assumption behind the postulation of Shapero and Sokol (1982) is that people are motivated by displacement that causes a shift in life's path. And after displacements, psychological differences explain the variations in subsequent actions or consequences. Hence, Shapero and Sokol (1982) conclude that displacements are "trigger events."

Our choice of this model is predicated upon its usefulness and originality. It is also very relevant to this study because of its emphasis on social and cultural environment which is an issue associated with family background. Besides, the selection of a business model cannot be dissociated from both social and cultural influences. In addition, this model still enjoys wide acceptability among scholars. Recently, scholars such as Krueger et al (2000), Peterman and Kennedy (2003), Audet (2004), Guerrero et al (2008), and Fitzsimmons and Douglas (2010) have applied this model in their respective studies.

2.2 The determinants of entrepreneurial intention

For the purpose of this article, we posit that the entrepreneurial intention among fresh graduates in Nigeria is defined as a function of perception of venture feasibility, perception of venture desirability, entrepreneurial self-efficacy, and family background. Fig. 1 summarizes the research model.

2.2.1 The perception of venture feasibility and desirability

The perception of venture feasibility can be explained as the probability of being able to start a new venture that will provide the un-served or under-served market needs. It describes the degree to which one feels about his/her capability of starting a new business (Boyd and Vozikis, 1994; Krueger et al, 2000). On the other hand, the perception of venture desirability is the degree to which one feels attracted to becoming an entrepreneur (Linán, Rodríguez-Cohard, and Rueda-Cantuche, 2011). This is very similar to attitude and social norms (Krueger et al, 2000; Guerrero et al, 2008). In fact, Shapero and Sokol (1982) considered perception of desirability specifically due to social and cultural influences in the environment.

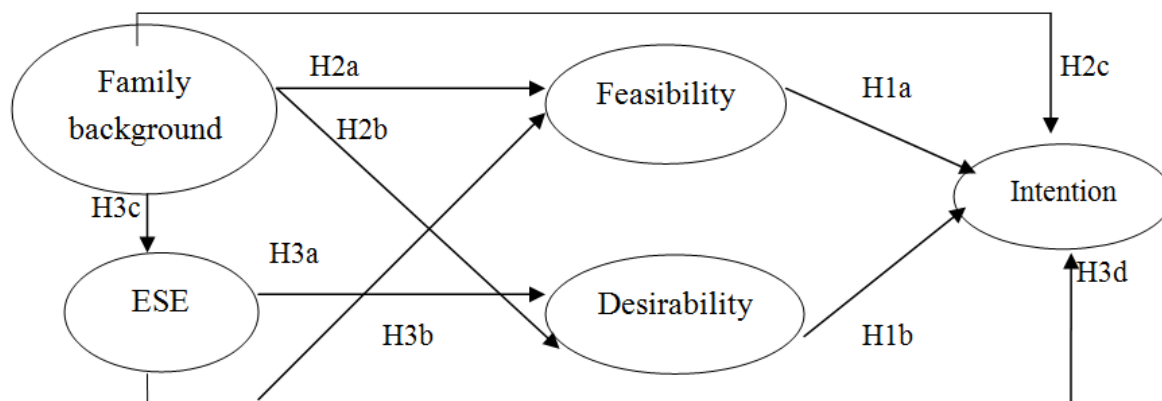


Figure 1: Research model

In line with the postulations of the model of entrepreneurial events, studies have shown that there is relationship between the perception of venture feasibility and entrepreneurial intention. Similarly, there is a relationship between perception of venture desirability and entrepreneurial intention. For instance, Guerrero et al (2008) studied the entrepreneurial intention among university students and found that the influence of the perception of feasibility and desirability on their intention to create a business is not significant. Conversely, Graevenitz, Harhoff, and Weber (2010) used perception of feasibility to capture the signals that students receive during an entrepreneurship class and found that it has impact on the intention of the students to become entrepreneurs. In view of these, we propose that;

Proposition 1: perception of feasibility and desirability has significant relationship with the intention of fresh graduates to become entrepreneurs in Nigeria.

In other words, the following hypothesis posits that;

H1a: *The relationship between the perception of venture feasibility and the intention of fresh*

graduates to become entrepreneurs in Nigeria is positive and significant.

H1b: *The relationship between the perception of venture desirability and the intention of fresh graduates to become entrepreneurs in Nigeria is positive and significant.*

2.2.2 Family background

The model of entrepreneurial event acknowledges that the family plays a big role in influencing the intention of the child to start a business. Shapero and Sokol (1982), in particular, emphasized that the father and the mother play important roles as far the perception of venture feasibility and desirability is concerned. Besides, the family serves a breeding ground for would be entrepreneurs as long it provides the child with effective and efficient role modeling (Krueger, 1993; Matthew & Moser, 1996; Pruett et al, 2009). Hence, there is a possibility that such child would have a strong preference for entrepreneurship (Scott and Twomey, 1988, Krueger et al, 2000, Sorensen, 2007) as he/she grows older.

Although Drennan, Kennedy, and Renfrow (2004) classified family background into three (i.e. prior exposure to family business, a difficult childhood, and frequent relocation as a child), they are of the view that early exposure to entrepreneurship and experience in the family business have impact on the family members' attitude and intentions towards entrepreneurship. In another study, Carr and Sequeira (2007) support the view that family background plays a major role in shaping entrepreneurial intentions. In addition, scholars have also extended family background to include genetic dispositions (Simons, Whitbeck, Conger and Chyi-In, 1991; Dunn and Holtz-Eakin, 2000; Nicolaou and Shane, 2010; Laspita, Breugst, Heblchhand, and Patzelt, 2012). These scholars are of the view that the relationship between parents and grandparents with entrepreneurial experience breeds structural and communication patterns that are capable of promoting strong preference for entrepreneurship in the grandchildren.

However, Kolvereid (1996) noted that an indirect relationship exists between family background and entrepreneurial intentions. This was reiterated by Peterman and Kennedy (2003) when they pointed out that the intention to start a new business is indirectly influenced by prior exposure to entrepreneurship. These views are taken to be that family background has implications on the perceptions of venture feasibility and desirability. Its influence on the perceptions thereafter manifest in either low or high entrepreneurial intentions. In view of the above mentioned, we propose that;

Proposition 2: family background influences the entrepreneurial intention of fresh graduates in Nigeria through their perceptions of venture feasibility and desirability.

Hence, the following hypothesis suggests that;

H2a: *The relationship between family background and the perception of venture feasibility of fresh graduates in Nigeria is positive and significant.*

H2b: *The relationship between family background and the perception of venture desirability of fresh graduates in Nigeria is positive and significant.*

H2c: *The relationship between family background and the intention of fresh graduates to become entrepreneurs in Nigeria is indirect and significant.*

2.2.3 Entrepreneurial self-efficacy

Entrepreneurial self-efficacy emerged from the concept of self-efficacy. Self-efficacy is a cognitive variable that is required to successfully complete a given task or behaviour. It is a source of belief in one's capabilities to mobilize the needed motivations, cognitive resources, and other courses of action that can enhance needed control over events in any given task. In other words, self-efficacy helps to forestall an emotionally safe solution that will condition the mind towards a more positive interpretation of one [self] (Mauer, Neegaard, and Kirketerp, 2009).

The choice of entrepreneurial self-efficacy, as a concept, came to life in the field of entrepreneurship after the clarion call by Gist and Mitchell (1992). They voiced the need to identify the "triggering factors" of the type of entrepreneurial behaviour that scholars of entrepreneurship would like to improve. Despite the support given by Boyd and Vozikis (1994), entrepreneurial self-efficacy became popular only after Chen, Green and Crick (1998) showed, empirically, that it has a consistent and significant positive effect on the likelihood of being an entrepreneur. This outcome has also been confirmed by DeNoble and Ehrlich (1999), Krueger et al (2000), and Zhao, Seibert, and Hills (2005) respectively.

Entrepreneurial self-efficacy has a potential to influence individual's perceptions. More specifically, Krueger and Brazeal (1994) noted that critical competency (i.e. efficacy), resources, and credible publicity are necessary tools for increasing perception of feasibility. These empower potential entrepreneurs with the ability to seize opportunities whenever the environment presents them. Shepard and Krueger (2002) also noted that entrepreneurial self-efficacy affects people's choice of action and the amount of energy (or effort) exerted in the course of an action. They asserted that perceived feasibility of potential entrepreneurs is higher when self-efficacy towards entrepreneurial behaviour is higher.

Zellweger, Sieger, and Halter (2011) proposed a pecking order of career choice intention. They assert that students with family business background may be pessimistic about being in control but optimistic about their capability and resources to pursue an entrepreneurial career. Their proposition was built upon Bandura's

(1997) assertion that family background plays an overlapping role—a determinant of perceptions and self-efficacy. Hence, family background can be described as a source vicarious experience with a potential to boost career intentions among offspring (Davidson, 1995; Carsrud, Brännback, Kickul, and Krueger, 2007). We, therefore, propose that;

Proposition 3: Entrepreneurial self-efficacy may be related to family background; it has a positive and significant impact on the entrepreneurial intention of fresh graduates in Nigeria.

Based on the afore mentioned, the following hypothesis suggests that;

H3a: *The relationship between entrepreneurial self-efficacy and the perception of venture feasibility of fresh graduates in Nigeria is positive and significant.*

H3b: *The relationship between entrepreneurial self-efficacy and the perception of venture desirability of fresh graduates in Nigeria is positive and significant.*

H3c: *There relationship between family background and entrepreneurial self-efficacy of fresh graduates in Nigeria is positive and significant.*

H3d: *The relationship between entrepreneurial self-efficacy and entrepreneurial intention of fresh graduates in Nigeria is direct and significant.*

3. Research methodology

3.1 Sample

This work is a part of a proposed long term study to be conducted by the researcher and his associates in Nigeria. The data used was collected in Bayelsa State during the last National Youth Service Corps (NYSC) orientation camp that took place between June and July, 2013. This camp had 1661 new corps members representing the six geo-political zones in Nigeria; North-West (0.12%), North-East (0.24%), North-Central (1.26%), South-West (34.37%), South-East (51.35%), and South-South (12.64%), respectively. Using the simple random technique, 250 corps members were selected for the purpose of answering our questionnaires. Our choice of 250 (sample size) was based on the calculations of sample size for categorical data in Bartlett, Kotlik, and Higgins (2001). Overall, 125 usable responses from the corps members were obtained, representing 50 percent response rate.

3.2 Measures

This study focuses on five variables. The items used for the measurement of the dependent variable and the independent variables are listed in the appendix. However, we provide a brief explanation of each variable below.

3.2.1 Dependent variable – entrepreneurial intention.

The measurement of entrepreneurial intention has evolved over the years from a uni-dimensional to a multi-dimensional construct. Luthje and Franke (2003), Peterman and Kennedy (2003), as well as Guerrero et al (2008) raised two questions which required a “yes” or “no” response. Davidsson (1995) and Autio, Keely, Klofsten, Parker and Hay (2001) used an index of three and four statements respectively to measure entrepreneurial intention.

While Fitzsimmon and Douglas (2011) used a 7-point Likert scale of four items, Lapista et al (2012) used a one-index measure that is borne out of two questions, which required that the respondents should identify among a set of choices, which occupation they would prefer within the next 5 years, and in more than 5 years respectively. These provide the respondents with an opportunity to make a choice of their own with specific reference to timing.

Following Lapista et al (2012) approach, responses relating to dependent employment dimensions are coded zero (0), while those relating to independent employment dimensions are coded one (1). However, for cases where respondents choose to engage in independent employment under both time frames, the code will be two (2).

3.2.2 Independent variables

We assessed family background, perception of feasibility, and perception of desirability following Peterman and Kennedy (2003). Family background is measured as a categorical construct with four questions with a “yes” or “no” response. In addition, four questions were asked to ascertain their perceived experiences from their respective backgrounds. Perceptions of feasibility and desirability are measured on a 7-point Likert scale. However, perception of feasibility has five items, while perception of desirability has three items.

To the best of our knowledge, several scales have emerged for the purpose of measuring entrepreneurial self-efficacy. However, De Noble et al (1999), Zhao et al (2005), and McGee, Peterson, Mueller, and Sequiera (2009) are scales that have received wider acceptability among others. Specifically, McGee et al (2009) identified nineteen items with a view to measuring five unique capabilities; searching, planning, marshalling, implementing human and financial resources.

For the purpose of this study, we chose eleven items from the list and renamed the dimensions as innovation capability (2 items), opportunity recognition capability (2 items), communication skills (3 items), peoples skill (2 items), and finance capability (2 items) respectively.

4. Presentation and analysis of results

4.1 Presentation of results

We analyzed the data extracted from the questionnaires using Eviews 7.0. The correlations, means, and standard deviations are displayed in Table 2 below.

Table 2: Descriptive statistics and correlations among the determinants

Variable	Mean	Std dev.	1	2	3	4
1. Entrepreneurial intention	0.71	0.70	1.00			
2. Perception of venture feasibility	5.44	1.38	-0.10	1.00		
3. Perception of venture desirability	5.83	1.34	-0.07	0.62	1.00	
4. Family background	2.46	1.07	0.27	0.07	0.03	1.00
5. Entrepreneurial self-efficacy	4.22	0.82	0.01	0.03	-0.02	0.05

Source: Authors' calculations

We use the Ordinary Least Squares (OLS) method of estimation with a view to identifying the basic relationships that exist among the variables as specified in our research framework. Of course, we do know that this may not be quite sufficient to justify the hypotheses raised. Our choice of this method is based on two reasons; this study is the very first to be carried out among a series to be conducted across Nigeria, and we wish to identify the sign and magnitude of the influence of the variables on each other. Running a series of simple regressions, our results are summarized in Table 3 below;

Table 3: Empirical results of regression analysis

Variable	I	II	III	IV	V	VI	VII
Perception of venture feasibility						-0.05	-0.006
Perception of venture desirability					-0.04		0.012
Breadth of family background			0.158*	-0.17			-0.167
Positiveness of family background		0.331*		0.626**			0.62**
Entrepreneurial Self-Efficacy	0.172**						0.163**
Constant		0.30	0.44		0.92		-0.006

Note: *, ** (Statistical significance at 99%, 95%, and 90% confidence interval).

The OLS results above are quite interesting. First, we had to test for the relationship between entrepreneurial intention and the explanatory variables independently. We found that a negative relationship exists between the perceptions of feasibility and desirability with a coefficient of 0.05 and 0.04 respectively. In addition, their respective *p*-values are greater than the conventional levels of 0.05 and 0.01 respectively. This signifies that their estimated coefficients are not significantly different from zero. Hence, hypotheses H1a and H1b are not supported.

However, we took into consideration the two dimensions of family background as used in Krueger (1993) and Peterman and Kennedy (2003) and we found that both the breadth and positiveness of family background were positively related to entrepreneurial intention independently. Even though the influence of positiveness of family background (0.331) on entrepreneurial intention is stronger than that of breadth of family background (0.158), their respective *p*-values are lesser than the conventional level of 0.01. Hence, their influence on entrepreneurial intention is statistically significant. This shows that family background influences entrepreneurial intention directly.

Also, a positive relationship exists between entrepreneurial self-efficacy and entrepreneurial intention. With an estimated coefficient of 0.172, the influence of entrepreneurial self-efficacy is stronger than the influence of the breadth of family background on entrepreneurial intention among the respondents. With a *p*-value of 0.025, the estimated coefficient of entrepreneurial self-efficacy, as shown in Table 3 above is statistically different from zero.

In an attempt to reconfirm the findings above, we ran another regression which includes the five explanatory variables. Again, the negative relationship between the perception of feasibility and entrepreneurial intention was established. This is, however, significantly different from zero at 90 percent confidence level (*p* = 0.08). Conversely, the estimated coefficient of perception of desirability is positive but not significantly different from zero (*p* = 0.83). There was also a change in the nature of relationship between breadth of family background and intention but it is not significantly different from zero (*p* = 0.238).

4.2 Discussion of results

We set out at the beginning of this article with the objective of establishing the relationship between family background and the entrepreneurial intention of fresh graduates in Nigeria. Following the first round of

analysis that was diligently carried out, the results of the test of hypotheses carried are summarized in Table 4 below.

Table 4: Preliminary results of tested hypotheses

H1a	Feasibility -> Intention	-	$p > 0.1$	Not Supported
H1b	Desirability -> Intention	-	$p > 0.1$	Not Supported
H2a (i)	Breadth -> Feasibility	-	$p < 0.1$	Not Supported
H2a (ii)	Positiveness -> Feasibility	+	$p < 0.1$	Supported
H2b (i)	Breadth -> Desirability	-	$p < 0.05$	Not Supported
H2b (ii)	Positiveness -> Desirability	+	$p < 0.1$	Supported
H2c (i)	Breadth -> Intention	+	$p < 0.01$	Supported
H2c (ii)	Positiveness -> Intention	+	$p < 0.02$	Supported
H3a	ESE -> Feasibility	+	$p > 0.1$	Not Supported
H3b	ESE -> Desirability	-	$p > 0.1$	Not Supported
H3c	ESE -> Intention	+	$p < 0.05$	Supported
H3d (i)	Breadth -> ESE	-	$p > 0.1$	Not Supported
H3d (ii)	Positiveness -> ESE	+	$p < 0.1$	Supported

ESE: Entrepreneurial self- efficacy

Contrary to the findings of Krueger et al (2000) and Fitzsimmons and Douglas (2011), our analysis shows that the relationship between perceptions of feasibility and desirability on the entrepreneurial intention of fresh graduates in Nigeria is negative and insignificant. A second look at the raw data (Figure 2), however, reveal that many of the respondents assume high perceptions of venture feasibility and desirability but this is not enough to impact their entrepreneurial intentions.

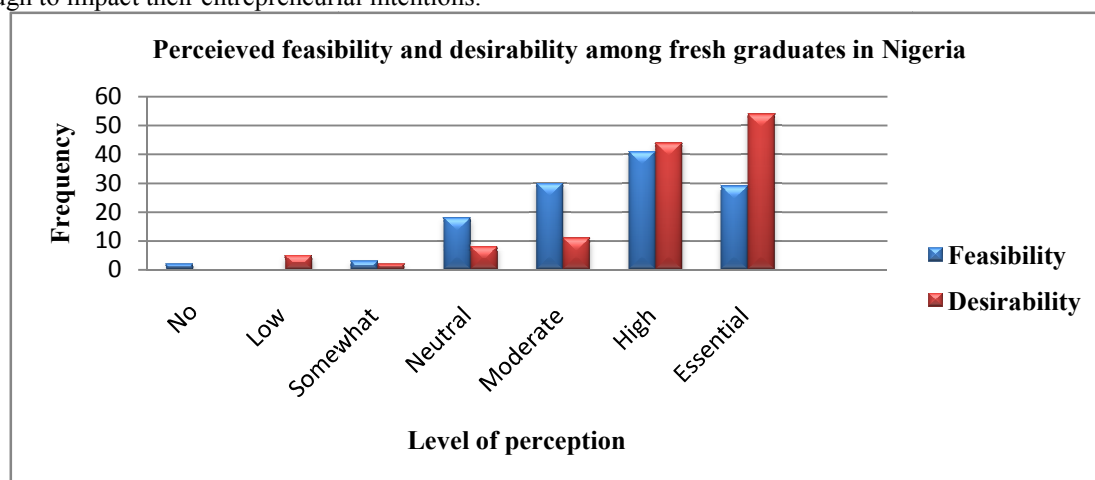


Figure 2: Perception of venture feasibility and desirability of fresh graduates in Nigeria.

We also did a brief comparison of the two perceptions in line with Fitzsimmons and Douglas's (2011) argument that high perceptions of feasibility when combined with high desirability will give rise to very high intention (i.e. upper right quadrant in Figure 3). Since a greater proportion of the respondents' perceptions imply that we have natural entrepreneurs among these fresh graduates, more empirical analysis is definitely required to ascertain the relationship between the perceptions and entrepreneurial intentions of fresh graduates in Nigeria.

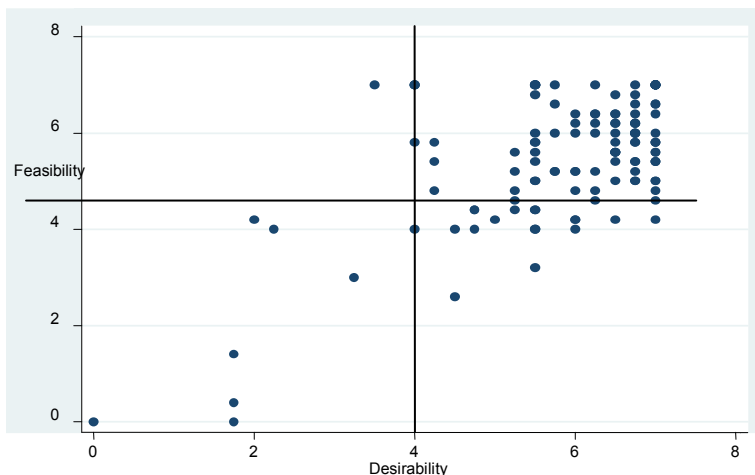


Figure 3: Comparison between perception of feasibility and desirability

The role of family background on entrepreneurial intentions constitutes the essence of this article. Interestingly, our findings eulogize the significance of perceived positive experiences gained from the business owned by parents and/ or other members of the family. All the hypotheses tested concerning the relationship between positiveness of experience and intentions, venture feasibility, venture desirability, and even entrepreneurial self-efficacy concurred with the *a-priori* expectations.

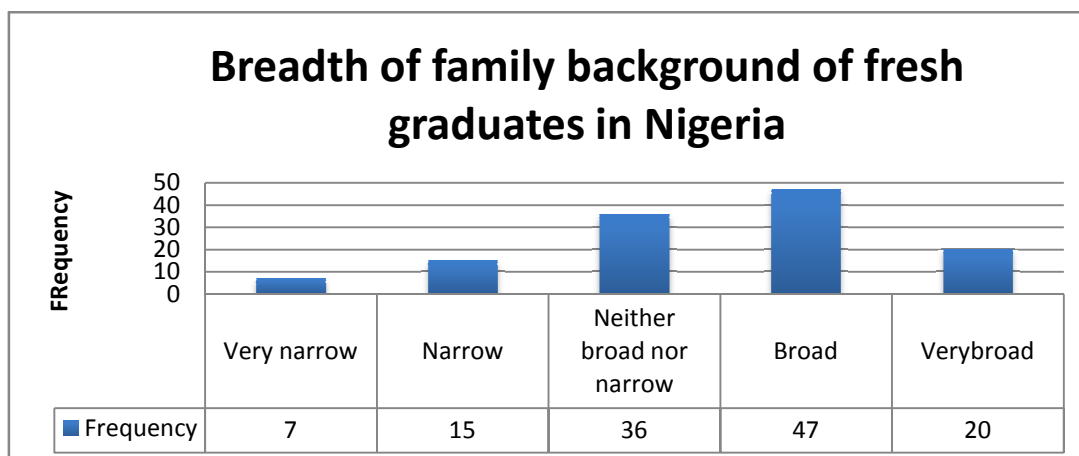


Figure 4: Breadth of family background among fresh graduates in Nigeria

On the contrary, the negative relationships between breadth of family background and perceptions of venture feasibility, desirability, and entrepreneurial self-efficacy did not pass our test of hypothesis, even at 90 percent confidence level. Based on the analysis of the raw data, family background among fresh graduates is perceived to be broad (Figure 4) and it relates positively with the entrepreneurial intention of fresh graduates in Nigeria. In fact, our test of hypothesis confirms that this positive relationship is statistically significant at 99 percent confidence level. For instance, 70 percent and 86 percent of the respondents admit that either their father or mother and other members of the family, especially their aunts and uncles, own a business respectively. Consequently, 54 percent of the respondents have a business of their own.

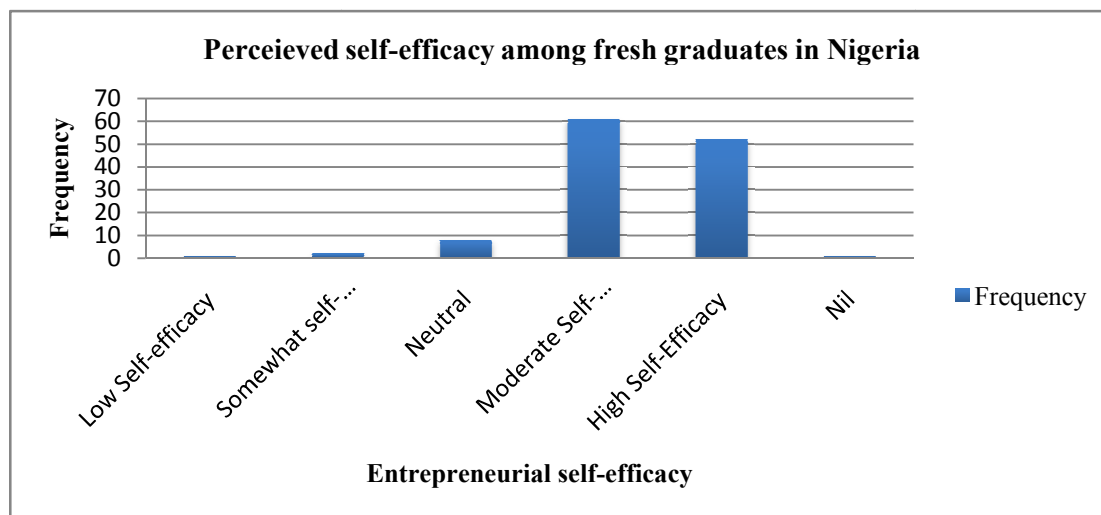


Figure 5(a): Perceived entrepreneurial self-efficacy of fresh graduates in Nigeria

The perceived entrepreneurial self-efficacy among the fresh graduates who responded to our question confirms the belief of the people that Nigerians are really talented. A descriptive analysis of the data extracted (Figure 5a) shows that 48.8 percent and 41.6 percent of the respondents assume moderate self-efficacy and high self-efficacy respectively. The component analysis of entrepreneurial self-efficacy among these fresh graduates, however, shows that their perception of self-efficacy is high in innovation capability (64.8 percent), opportunity recognition (58.4 percent), communication skills (45.6 percent), people's skills (66.4 percent), and finance-related skills (60.8 percent). Figure 5b provides a summary of this analysis.

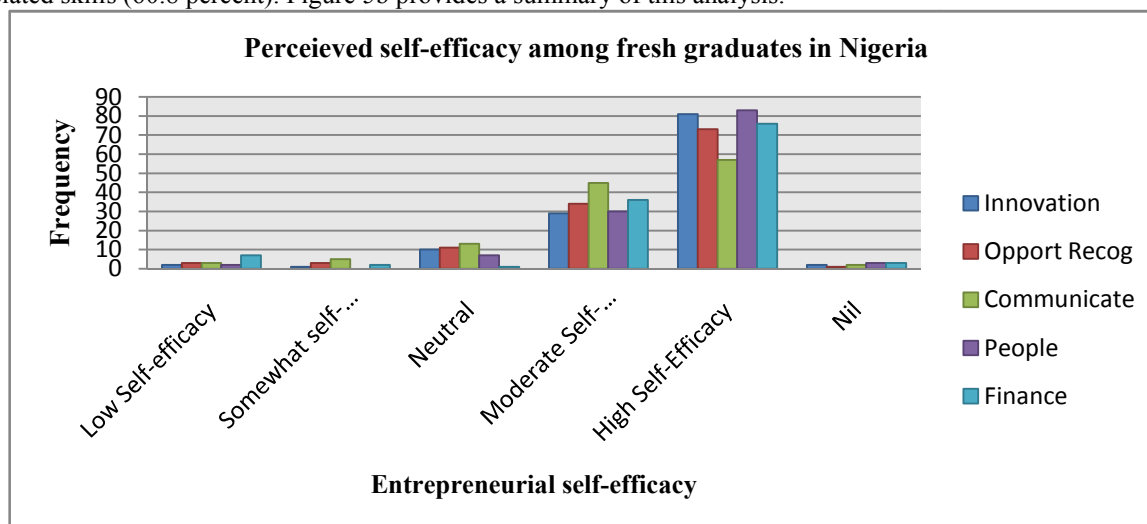


Figure 5(b): Perceived entrepreneurial self-efficacy of fresh graduates in Nigeria.

Our empirical test shows that the relationship between the perceived self-efficacy and the perceived venture feasibility and desirability among these fresh graduates is positive. Although the impact of entrepreneurial self-efficacy on the perceived venture feasibility ($\beta = 0.213$) when compared with the perceived venture desirability ($\beta = 0.125$) is stronger, both failed the test of significance even at 90 percent confidence level. However, the impact of the perceived self-efficacy on their perceived entrepreneurial intention is positive and significant at 95 percent confidence level.

5. Summary of findings, conclusion, and recommendations

5.1 Summary of findings

Based on the analysis of the results which we have done so far, the summary of our findings are as follows;

- i. Perceived venture feasibility and desirability among fresh graduates in Nigeria is negatively related to their entrepreneurial intention.
- ii. The impact of the positive experience associated with family background on perceived venture feasibility and desirability, entrepreneurial intention, as well as perceived entrepreneurial self-efficacy among fresh graduates is statistically significant and stronger than the corresponding impacts of the broadness of family background.
- iii. The impact of perceived entrepreneurial self-efficacy on the entrepreneurial intention of fresh graduates in Nigeria is positive and statistically significant.

- iv. Unfortunately, the impact of high perceived entrepreneurial self-efficacy among fresh graduates in Nigeria on the perceived venture feasibility and desirability is not statistically significant.

5.2 Conclusions

In this study, we have succeeded in vindicating earlier scholars (Moore & Unwalla, 1964; Katz, 1992) who cried out that there is more to the role of family background than just family members or family business in the decision making process of a new venture creation. In this regard, we have made four important contributions to the literature.

First, our findings justify the proposed categorization of entrepreneurial types (i.e. natural, accidental, and inevitable entrepreneurs) by Fitzsimmons and Douglas (2011). Based on the combination of the perceptions of feasibility and desirability, we show that fresh graduates in Nigeria are natural entrepreneurs with high perception of feasibility and high perception of desirability. Although the high perceptions of venture feasibility and desirability among these fresh graduates have insignificant impact on their entrepreneurial intentions, a little above 50 percent of them have small businesses of their own.

Second, our findings has also vindicated our support for Aldrich and Zimmer's (1986) assertion that individuals do not decide to start a business in a vacuity-they consult and are ingeniously influenced by significant others in their environment. Our results show that the positive experience from the family background is more important than the size or broadness of the family unit.

Third, our findings further demonstrated the significance of the family as a source of role model since positive experience from family background has a significant impact on the perceived entrepreneurial self-efficacy of fresh graduates in Nigeria. This finding corroborates Krueger et al's (2000) assertion that role models will affect entrepreneurial intentions only if they have influence on entrepreneurial self-efficacy.

Finally, our study established the significance of communication in the process of moulding the intention to start a business. Again, we recalled that Krueger et al (2000) asserted that when we raise entrepreneurial self-efficacy, we raise perceptions of venture feasibility and, hence, increase perception of opportunities. Based on this assertion, we tested for the effect of high self-efficacy among the fresh graduates in Nigeria on their perception of feasibility and desirability. Unfortunately, the high perception of self-efficacy demonstrated by these fresh graduates has no significant influence on their perception of venture feasibility. What could be the missing link?

Our finding reveals that communication capability is the missing link. This was ranked low among the five compositions of entrepreneurial self-efficacy adopted in this study. This further lends credence to Aldrich and Zimmer's (1986) assertion. Indeed, communication plays a big role in the channel of influence and consultancy.

In view of the aforementioned contributions, we conclude that neither high entrepreneurial self-efficacy nor positive family background (role modeling) is enough to spur desirable and feasible perceptions into workable plans of action for small start-ups, a strong and positive communication links are inevitable.

5.3 Recommendations

Building a progressive economy that is rich in employment generation, capacity building, improved standard of living, and economic growth is not the responsibility of the government alone. Parents, family members, and of course, teachers at large have a role to play. In particular, we all have a duty to better understand how entrepreneurial intentions are formed, and how our beliefs, perceptions, and motives coagulate into the intention to start a business.

Two needs are worthy of mentioning at this point; (1) the need for a successful transformation of perceived venture feasibility and desirability into a stronger entrepreneurial intention that would yield subsequent venture creations, and (2) the need for effective communication links that would support stronger capabilities for the identification of personally-viable and personally-credible opportunities. Based on these needs, we put forward the following recommendations;

- i. Revolutionary entrepreneurial values need to be promoted with vigour. The Federal Government in Nigeria, in 2006, made the first pronouncement that entrepreneurship course would be made compulsory in Nigerian Higher Education Institutions (HEIs). This did not take effect until the 2008/2009 academic session in most universities. Seven years after, many of these institutions are yet to have credible Centres that are devoted to the learning and dissemination of entrepreneurial knowledge, skills, and values.
- ii. Money, tradition, and education from our social and family background aren't the key to entrepreneurial success. We need a redefinition of the MTE of family background. Henceforth, "Mentoring," "Training," and "Experience" for entrepreneurial capacity-building should be the focus of the role of our social and academic institutions.
- iii. We are currently living in a century that is prone to swift changes that are creating more rooms for the youth. Three keys have the potential to unlock the doors of opportunities in this century; greater risk-taking, communication revolution, and lucid investments in youth capacity-building for entrepreneurial motives. Hence, using the conventional teaching approach is no longer making

desirable impact. We suggest the adoption of “Problem-Based Learning” methodology. This approach will not only enhance the creative confidence of our fresh graduates, it would also facilitate their quest for improved communications’ skills.

5.4 Limitations of study/suggestion for further studies

This study is the first among the series of studies on the entrepreneurial intention of fresh graduates that would be carried out in Nigeria. As such, our findings need to be interpreted with utmost care. There are a few shortcomings that we have observed, especially in terms of the distribution of our sample and the method of estimation.

First, we observe a sharp imbalance in the distribution of fresh graduates sampled for the purpose of this study. The population distribution of the fresh graduates sampled comprises 1.62 percents from the entire Northern part of the country and 98.38 percent from the entire Southern part of the country. Eventually, the samples selected, when we used the table of random numbers, emerged from the South-West, South-East, and South-South.

Another shortfall from this study is the method of analysis used, which is relatively simple. This method did not permit a thorough path analysis among all the variables cited in our research framework. The use of advance estimation techniques would obviously make an opportunity for further studies with a view to validating the results of our test of hypothesis reported in this study.

In addition, the macroeconomic condition that currently pervades the Nigerian economy makes parents to encourage their wards to seek paid jobs after graduation. This, no doubt, may have effect on the entrepreneurial intention of the graduating students in Nigeria. Unfortunately, this was not addressed in our paper. We admit that the perception of the “important others” about paid job viz-a-viz creation of start-ups is also important and deserves the attention of Entrepreneurship scholars in Nigeria.

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