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Entrepreneurial Motivation and Self-Employment Intention: An Empirical Study on Management Undergraduates in Sri Lanka

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"Thesis submitted to the University of Sri Jayewardenepura for the award of degree of Master of Science in Management on 16.02.2008"

DECLARATION

I do hereby declare that, the work described in this thesis was carried out by me under the supervision of Mr. A.G.M.M.N.S.P. Molligoda, Senior Lecturer in Business Management, University of Sri-Jayewardenepura, and a report on this has not been submitted in whole or in part to any university or any other institution for another degree/ Diploma.

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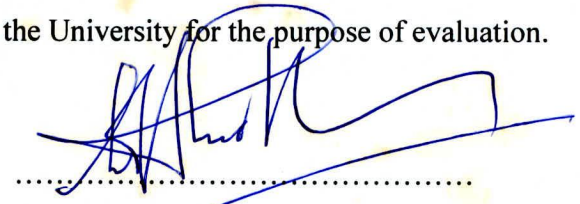

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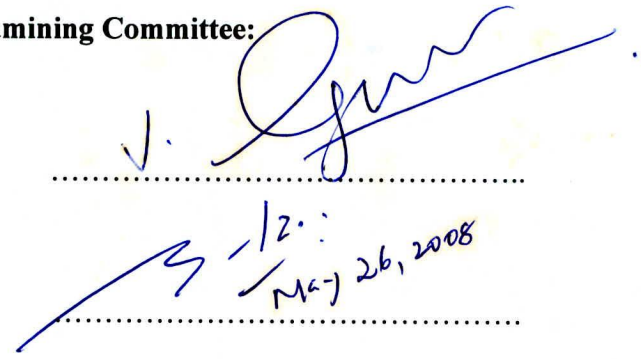

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ABBREVIATIONS

DSE - Desirability of Self-Employment

FSE -Feasibility of Self-Employment

TR -Tolerance for Risk

PIS -Perceived Institutional Support

IV -Independent Variable

DV -Dependent Variable

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"Entrepreneurial Motivation and Self-Employment Intention: An Empirical Study on Management Undergraduates in Sri Lanka"

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ABSTRACT

Entrepreneurship is becoming a very relevant instrument to promote economic growth and development in different regional and national economies. The aim of the research was to investigate empirically the relationship of entrepreneurial motivation and entrepreneurial intention.

The conceptual model was formulated for the relationship of Desirability for Self-Employment (DSE), Feasibility of Self-Employment (FSE), Tolerance for Risk (TR), and Perceived Government Support (PGS) with Self Employment Intention (SEI). Hence, the study focused four variables related to self-employment intention.

The selected sample for the study contained 316 final year Management undergraduates selected from six Universities in Sri Lanka based on simple random sampling method. The level of measurement of the variable was interval and the relevant statistical techniques for these measures under Uni-variate, bivariate analysis and multiple regression models were used. Data analysis was conducted by using SPSS 13.0 student version software package. Four hypotheses were tested to assess the empirical relationships among variables.

The study revealed that, there were strong positive relationships between Desirability of Self-Employment, Feasibility of Self-Employment, and Tolerance for Risk, and Perceived Government Support with Self-Employment Intention. Thus, 57.5% of the variance in Self-Employment Intention was significantly explained by the four independent variables considered in this study, still leaves 42.5 % unexplained. So, future research might be necessary to explain more of the variance in Self-Employment Intention.

These findings have to be considered when creating an atmosphere for motivating undergraduates' self-employment intention. If the educators and policy makers highlight the advantage of finding self-employment and change their attitude by means of giving more emphasis in their curriculum, it also would be beneficial to the country as well.