

Are BBA students ready for social entrepreneurship? an application of theory of planned behavior

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Abstract

Purpose – The aim of the study was to investigate the behavioral intentions of BBA students regarding their engagement in social entrepreneurship.

Design/methodology/approach – To attain this purpose, a cross-sectional survey research design was used, and data were gathered from a sample of 205 respondents. Hypotheses were tested through the application of Ordinary Least Square (OLS) regression analysis.

Finding – This paper found a significant positive effect of subjective norms and perceived behavioral control on behavioral intention of social entrepreneurship. However, this paper found no significant influence of attitude towards social entrepreneurship on behavioral intention of social entrepreneurship.

Practical Implications – In light of these findings, this paper provides both theoretical and practical implications for further understanding and fostering social entrepreneurship among BBA students.

Keywords: Attitude, subjective norms, perceived behavioral control, behavioral intention.

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1. Introduction

The scientific community is increasingly focusing its attention on the field of Social Entrepreneurship (SE), a dynamic sector of business (e.g., Haugh, 2007; Lyne et al., 2018). In recent times, SE has gained recognition as a significant contributor to socioeconomic development, with studies exploring its impact in various nations (Gandhi & Raina, 2018; Tiwari et al., 2017a). Within the emerging domain of social business, individuals driven by a passion for societal welfare are actively engaged in social transformation, prioritizing social impact over profit maximization (e.g., Ghalwash et al., 2017; Roberts & Woods, 2005; Thompson, 2002).

Social entrepreneurship is the use of entrepreneurial skills to help society by starting a social enterprise. In several social fields in Nepal, social entrepreneurship is being practiced. Even though this is a rapidly developing field of knowledge, the focus of entrepreneurial studies is entrepreneurial intentions. Recently, university students' plans to start businesses have attracted the careful attention of several scholars (Looi & Khoo-Lattimore, 2015). Even though empirical research, especially on SE, has grown significantly, little attention has been paid to it. Due to their great motivation for success, readiness to take calculated risks, and intense interest in innovation, scholars have noted that the younger generation is strongly predisposed to entrepreneurship (Altinay et al., 2012).

The concept of Behavioral Intention (BI) in entrepreneurship refers to the level of commitment an entrepreneur is willing to invest in pursuing social entrepreneurship, as articulated by Ajzen (1991). Theory of Planned Behavior (TPB) states that BI is shaped by an individual's attitudes toward social entrepreneurship, subjective norms, and perceived behavioral control (Ajzen, 1991). Despite the profound societal and developmental impact of social entrepreneurship, there is a notable scarcity of research applying the TPB within the context of Nepal, as highlighted in studies such as Pokhrel, 2022, and Pokhrel & Shah, 2022. Consequently, the primary objective of this paper is to investigate the determinants influencing the Behavioral Intention (BI) related to social entrepreneurship among BBA students in the Kathmandu Valley.

2. Literature Review and Hypotheses Development

2.1 Attitude towards Social Entrepreneurship and Behavior Intention

ATT refers to the degree to which a person views behavior favorably or unfavorably (Ajzen, 1991). In the western context, previous studies have found that ATT has a significant influence on BI (e.g., Bhowmik et al., 2021; Jadmiko, 2020; Rahman et al., 2022). It implies positive ATT towards something could lead to BI of social enterprises. In Nepali context, researcher revealed that ATT has a significant influence on BI (Pokhrel, 2022). This study will make the theoretical and empirical assumptions that ATT of social entrepreneurship could drive BI of enterprises. Therefore, the paper hypothesized;

Hypothesis 1: ATT towards social entrepreneurship positively influences BI.

2.2 Subjective Norms and Behavior Intention of Social Entrepreneurship

According to Ajzen (1991), SN describes how a person's perspective of a specific behavior is influenced by the opinions of his or her referents, including friends, family, and peers. According to Ajzen (1991), subjective norms are synonymous with social norms, which are a product of the Theory of Reasoned Action. In the western context, previous studies have

found that SN has a significant influence on BI (e.g., Bhowmik et al., 2021; Jadmiko, 2020; Rahman et al., 2022). It shows that influence of friends, colleagues and family members could influence BI of social enterprises. In Nepali context, investigators found that SN has a substantial effect on BI (e.g., Pokhrel, 2022; Pokhrel & Shah, 2022). Based on empirical evidences and theoretical assumptions, this study assumes that SN of social entrepreneurship could lead BI of enterprises. Therefore, the paper hypothesized;

Hypothesis 2: SN positively influences BI of Social Entrepreneurship.

2.3 Perceived Behavior Control and Behavior Intention

According to Ajzen (1991), PBC describes a person's capacity to perform a particular behavior. Previous research has revealed that PBC significantly affects BI in the Western context (e.g., Bhowmik et al., 2021; Rahman et al., 2022). It demonstrates how an entrepreneur's skill can affect the business intelligence of social companies. Researchers have discovered that SN significantly affects BI in the Nepali setting (e.g., Pokhrel, 2022; Pokhrel & Shah, 2022). Based on empirical evidences and theoretical assumptions, this study assumes that PBC of social entrepreneurship could lead BI of enterprises. Therefore, the paper hypothesized;

Hypothesis 3: PBC positively influences BI of Social Entrepreneurship.

This study contends that a positive attitude toward social entrepreneurship, subjective norms, and perceived behavioral control are factors that can influence the behavioral intention to engage in social entrepreneurship. Drawing from the theory of planned behavior and supported by empirical evidence from Nepal, this study introduces a conceptual framework (refer to Figure 1) to illustrate these relationships.

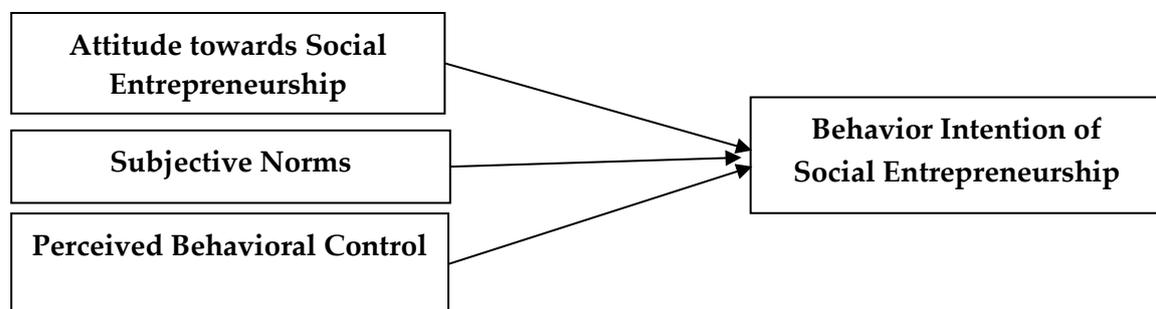


Figure 1. Conceptual framework of the study

3. Research Method

3.1 Sample and Procedure

The population for the study was Bachelor of Business Administration (BBA) Students of Kathmandu Valley. They had taken a course on the fundamental of entrepreneurship and also prepared a business plan for the course requirement. Likewise, this paper applied a purposive sampling technique for approaching the BBA students because it required a basic understanding of entrepreneurship. Furthermore, it's important to note that the unit of analysis in this study was the individual BBA student. In addition, we adhered to Hair et al.'s (2016) guidelines, which recommend that the sample size should be at least five times greater (minimum) or ideally ten times greater than the number of items required for advanced statistical procedures, in order to determine the appropriate sample size for this research.

Since this paper assumed that the population was homogenous and representative of the population, the sample size of 205 was approached for the data collection.

3.2 Measures or Instruments

The TPB constructs were measured using a 5-point Likert scale. Respondents were instructed to provide their responses on a scale ranging from 1 to 5, where 1 corresponded to "strongly disagree," and 5 indicated "strongly agree." Higher scores on this scale indicated a greater inclination toward initiating social entrepreneurship. To mitigate the potential for common source biases, this paper employed a scale derived from two prior research studies (e.g., Giovanis et al., 2019; Hong, 2019 as cited in Pokhrel, 2022).

After preparing the questionnaires, the faculty of entrepreneurship and 4 students were consulted for the initial testing of the questionnaire. The full-scale survey was performed with printed and digital questionnaires from May 2022 to July 2022. Respondents were informed about the purpose, nature, and confidentiality of the research.

4. Results

4.1 Demographic Profile

204 respondents altogether participated in the study. Age, education, occupation, and gender are the demographic characteristics. In Table 1, it gives a description of the respondents' demographics.

Table 1. Demographic profile of respondents

Variable	Number	Percentage
Gender		
Male	85	41.7
Female	118	57.8
Others	1	.5
Age		
Less than 18	3	1.5
18-24	194	95.1
25-31	7	3.4
Occupation		
Unemployed	166	81.4
Employed but not self employed	21	10.3
Self-employed	27	8.3

Source: Field Survey, 2022

The most frequently observed category of gender was female (n=118, 57.8%), according to table 1's frequencies and percentages. Age 18–24 was the group that was most frequently observed (n = 194, 95.1%). (n = 166, 81.4%) The occupation that was most commonly observed was jobless.

4.2 Descriptive Statistics, Inter-Item Correlation and Reliability

Descriptive statistics shows the description of data with the help of mean and standard deviation. Inter-item correlation shows the relationship between variables and the strengths of relationships. Reliability shows the consistency of the responses.

Table 2. Mean, Standard Deviation and Inter-item Correlation and Cronbach’s Alpha

Variables	Mean	Std. Deviation	Std.			
			1	2	3	4
1. ATT	3.750	0.721	0.687			
2. SN	3.109	0.841	0.187**	0.772		
3. PBC	3.435	0.753	0.405**	0.402**	0.760	
4. BI	3.590	0.714	0.301**	0.416**	0.517**	0.595

(Note. ATT= Attitude; BI=Behavioral Intention; PBC= Perceived Behavioral Control; SN=Subjective Norms)

As indicated in table 2, ATT is positively related to SN, PBC, and BI ($\gamma = 0.187, p < 0.01; \gamma = 0.405, p < 0.01; \gamma = 0.301, p < 0.01$, respectively). It shows that ATT positively influences SN, PBC, and BI. Second, SN is positively related to PBC and BI ($\gamma = 0.402, p < 0.01; \gamma = 0.416$, respectively). It shows that SN positively influences PBC and BI. Finally, PBC is positively related to BI ($\gamma = 0.517 p < 0.01$). It shows that PBC positively influences BI. The values of mean and standard deviation showed that responses are positively anchored with a small deviation. Likewise, the diagonal values are higher than 0.50 showing the reliability of the data. Since correlation analysis is a robust technique for hypothesis testing, this paper applied the regression method for data analysis.

4.3 Regression Analysis

This technique is used to look at how one or more independent variables relate to a dependent variable (Soto, 2013). This paper has tested the major assumptions of OLS. First, normality was tested with Skewness and Kurtosis, ranging values between 0.246 to 1.153 and 1.180 to 2.124. It shows normality of the data. Second, the VIF (Variance Inflation Factors) method is used in this work to estimate multi-collinearity. Multi-collinearity test scores are fewer than 3. It suggests no problems of multi-collinearity. Finally, the value of the Durbin-Watson Test in this study is 1.690 which is less than 2. Therefore, this data set does not have the issues of autocorrelation.

Table 3. Table for Hypotheses Testing

Hypotheses	Regression Weights	Beta Coefficient	R2	F	t- Value	P- value	Hypothesis supported
H1	ATT → BI	0.103		32.51	1.623	0.106	No
H2	SN → BI	0.245	0.328	32.51	3.869	0.000	Yes
H3	PBC → BI	0.377		32.51	5.538	0.000	Yes

(Note. ATT: Attitude; BI: Behavioral Intention; PBC: Perceived Behavioral Control; SN: Subjective Norms)

Hypothesis 1 (H1) examines the significance of ATT in predicting BI. The results indicate that ATT does not have a noticeable impact on BI ($\beta = 0.130; t = 1.06; p > 0.05$). H2 investigates if SN have a substantial impact on BI. The outcome demonstrates that SN has a substantial impact on BI ($\beta = 0.328; t = 3.869; p < 0.05$). H3 investigates if PBC have a substantial impact on

BI. The outcome demonstrates that PBC has a substantial impact on BI ($\beta= 0.377$; $t= 5.538$; $p< 0.05$). Furthermore, the R-squared (R^2) value of 0.328 indicates that the model accounts for 32.8% of the variance in BI. A summary of the results is provided in Table 3 for reference.

5. Discussion and Conclusion

The first objective of this research is to investigate how ATT affects BI of social entrepreneurship. This study concluded that ATT had no discernible impact on BI. It agrees with earlier research, such as Jadmiko, 2020; Bhowmik, et al., 2021; and Rahman, et al., 2022. It implies that ATT has no influence on BI. If BBA students have positive influence on BI of social entrepreneurship, it does not necessarily lead to BI of starting a social enterprise. Other factors such as personality could play a significant influence on BI of social entrepreneurship.

Second, the objective of this research is to examine the influence of SN on BI related to social entrepreneurship. This study's findings reveal a significant impact of SN on the BI associated with social entrepreneurship, aligning with previous research conducted by scholars such as Bhowmik et al., 2021; Pokhrel, 2022; and Rahman et al., 2022. These results advocate that the knowledge and skill levels of respondents may play a pivotal role in shaping their intentions to participate in social entrepreneurship, consistent with Ajzen's (1991) theory of planned behavior.

Finally, the purpose is to assess the influence of PBC on BI associated with social entrepreneurship. This study's findings indicate a significant impact of PBC on the BI of social entrepreneurship, aligning with prior research published in works such as Bhowmik et al., 2021; Jadmiko, 2020; Pokhrel, 2022; and Rahman et al., 2022. These findings suggest that the knowledge and skill levels of respondents may play a pivotal role in shaping their intentions to participate in social entrepreneurship, consistent with Ajzen's (1991) theory of planned behavior.

Social entrepreneurship is the use of entrepreneurial skills to help society by starting a social enterprise. This social entrepreneurship activity is regarded as a model enterprise. This study concluded that the opinions of friends, colleagues, and family members and knowledge about social enterprises are two factors influencing the behavioral intention of social entrepreneurship among the respondents.

6. Implications of the study

The findings of the study have the following implications. First, the business schools could incorporate syllabi on developing knowledge of social entrepreneurship and improve social structures to develop an eco-system of social entrepreneurship. Second, the government institution could aid in educating consumers about the value of social products. To encourage buyers to purchase the products, this research assists in determining reasonable pricing for the social products. Third, this research aids in examining the ideal location to make it accessible to the most effective marketing tactics for its promotion. Finally, the human resources manager assists in the hiring of people who are sufficiently knowledgeable about social issues and the environment.

7. Directions for the Future Research

The results of this study should be interpreted with caution. First, there may be problems with typical procedure biases in the cross-sectional survey. The population might not fully represent the population, to start with. As a result, future studies might be conducted using a larger sample size. Third, only 204 people were included in the sample size since the researcher used a purposive sampling technique to gather data. This means that in the future, using the probability sampling method, researchers might gather data from a big population. Finally, other variables like personality may have a big impact on BI. As a result, social entrepreneurship might be incorporated into the idea of planned behavior.

Conflict of Interest

Author declared no conflict of interest while preparing this article.

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