

THE IMPACT OF SELF-EFFICACY ON THE ENTREPRENEURIAL INTENTIONS OF STUDENTS IN THE POST-COVID-19 ERA

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ABSTRACT:

This study explores the role of self-efficacy on entrepreneurial intentions of students in the post-COVID-19 era. In this study, 205 samples collected from students are analyzed by using the structural equation model. Based on the Theory of Planned Behavior (TPB), entrepreneurial intentions, and previous related works, the study finds that the factors of educational support, risk propensity, need for power, personal attitude, subjective norms, and perceived behavioral control have a correlation with the self-efficacy. In addition, the factors of educational support and self-efficacy have a positive correlation with the entrepreneurial intentions of students.

Keywords: Covid-19, entrepreneurship, students, self-efficacy.

1. Introduction

Entrepreneurship is contemplated to be an important contributor to the economic development and growth of every country. In recent years, entrepreneurial activities have been developing strongly in many countries around the world (Wu & Wu, 2017), it helps to bring innovation and create new jobs (Kelley et al., 2012). In developing countries, the development of the economy is dominated by small and medium enterprises (SMEs), which demonstrates the increase in the number of enterprises in the world (Diep et al., 2019). In Vietnam, a quarter of young Vietnamese has a desire to start their own business (Nguyen, 2020). Not outside the trend of

promoting entrepreneurship, many universities in Vietnam have cooperated with businesses to organize job fairs (e.g., Ho Chi Minh City University of Technology, Ho Chi Minh University of Banking...), the entrepreneurial seminars aim to train students to have a foundation for entrepreneurship ideas from the young people, increase dynamism and promote business awareness and entrepreneurial spirit after the Covid-19 pandemic (Vietnam News, 2022). The nation's small and medium enterprises play an important role in economic development, they have contributed about 40% of the gross domestic product and account for 98% of the total number of enterprises in the country (Bazan et.

al., 2019). Because of the rapid increase in entrepreneurial activities, the Vietnamese government chose 2016 as the year of an entrepreneurial country and launched a project to support innovation and create entrepreneurship by 2025 (Diep et al., 2019).

There are many studies and topics in many countries around the world to understand which factors affect entrepreneurial intentions, such as Boldureanu et al. (2013), Tran & Duong (2019); Biswas & Verma (2021); Shi et al. (2020); Maheshwari (2022). In general, these works only consider in general terms the direct or indirect effects of factors related to the components of intention based on the students intention to start their own business with the Theory of Planned Behavior (TPB) of Ajzen (1991). Some studies have examined which factors have a greater impact on students entrepreneurial intentions than educational support, personal attitude, self-efficacy, or other components of the Theory of Planned Behavior. For this, research needs to identify the factors that influence students entrepreneurial intentions. Hence, this research investigates the role of self-efficacy and other factors in entrepreneurial intentions to offer solutions to contribute to promoting innovation and entrepreneurship ideas of students.

2. Research Model

From the literature review of the Theory of Planned Behavior (TPB), entrepreneurial intentions, and the related works, a research model that proposed as in Figure 1.

The elements of the research model, including educational support (EDS), risk propensity (RIP), need for power (NFP), personal attitude (PEA), subjective norms (SUN), perceived behavioral control (PBC), self-efficacy (SEE) and entrepreneurial intentions (ENI), are represented as follows:

- *Self-Efficacy (SEE)* is seen as the foundation for personal motivation and achievement (Pajares, 2002). Personality traits include the need for

achievement, psychological control, and self-efficacy (McClelland, 2019).

- *Educational Support (EDS)* is one of the factors affecting the intention to start a business and refers to the support from the university to accumulate the necessary knowledge and skills for starting a business (Nabi et al., 2011).

- *Risk Propensity (RIP)* is the most prominent characteristic of an entrepreneur, their willingness to take risks and the ability to accept a considerable degree of risk, this refers to the tendency to take risks (Maheshwari, 2022).

- *Need for Power (NFP)* is one of three factors established by McClelland (2019) in the framework of human motivation, which is believed to affect the intention to choose a career, including the elements of need for achievement, need for power, and need for affiliation.

- *Personal Attitude (PEA)* refers to a perception of an individual within his or her capacity to perform entrepreneurial activities (Ajzen, 1991), it can be positive or negative depending on the individual's attitude (Nguyen et al., 2021).

- *Subjective Norms (SUN)* are beliefs that most people in a family or society will approve or disapprove of a behavior (Ajzen, 1991), it has the greatest indirect influence on entrepreneurial intentions through perceived control over personal attitude and behavior (Tran & Duong, 2019).

- *Perceived Behavioral Control (PBC)* is defined as the beliefs of an individual about how easy or difficult for an individual to handle a situation, it predicts behavior that influences the intentions of the individual (Ajzen, 1991).

Many studies showed that self-efficacy is impacted by educational support (e.g., Boldureanu et al., 2013), risk propensity (e.g., Pajares, 2002), need for power (e.g., Ramsay et al., 2017), personal attitude (e.g., Nguyen et al., 2021), subjective norms and perceived behavioral control (Maheshwari, 2022). Hence, under students entrepreneurial intentions, these hypothesizes are proposed:

H1: Educational support has a positive effect on self-efficacy.

H2: Risk propensity has a positive effect on self-efficacy.

H3: Need for power has a positive effect on self-efficacy.

H4: Personal attitude has a positive effect on self-efficacy.

H5: Subjective norms has a positive effect on self-efficacy.

H6: Perceived behavioral control has a positive effect on self-efficacy.

- Entrepreneurial Intentions (ENI) reflect the intention of starting a business of an individual, to a higher level, those who tend to be willing to take pre-calculated risks, gather resources needed, and created their projects (Gupta & Bhawe, 2007). Entrepreneurial intentions are considered a strong factor contributing to motivation for self-starter behaviors and intentions (Farrukh et al., 2017). Entrepreneurial intentions are also a factor that can reflect the desire of an individual to start a business and independence (Hu & Ye, 2017). Many studies provided that educational support (e.g., Maheshwari, 2022; Bazan et al., 2019) and self-efficacy (e.g., Carr & Sequeira, 2007; Liu et al., 2019) have relationships with entrepreneurial intentions. Thus, under students entrepreneurial intentions, these hypothesizes are proposed:

H7: Educational support has a positive effect on entrepreneurial intentions.

H8: Self-efficacy has a positive effect on entrepreneurial intentions.

3. Research Method

3.1 Research Process

This study has two stages: (1) preliminary with qualitative research, and (2) formal analysis with quantitative research. Firstly, from the theoretical basis of the Theory of Planned Behavior (TPB), entrepreneurial intentions, and the related works, which constructs a draft scale. Then, the senior experts on entrepreneurship are philosophized for

building the draft scale. Next, the formal research handles the adjusted scale as a formal scale, this work uses a 5-point Likert questionnaire and survey. Data was collected by a convenient sampling survey, the questionnaires were sent to participants being students who have entrepreneurial intentions in Ho Chi Minh City. There are 205 valid samples of 36 items on the scale. Finally, for the model testing, the collected data are analyzed via Structural Equation Modeling (SEM) by SPSS and AMOS softwares.

3.2 Descriptive Statistic

Gender: there is a significant difference between male 38% and female 62% of students.

Age: as regards the second-year student, others, the third-year student, the first-year student, and the fourth-year student, the former is by far the highest at nearly 31%, followed by the latter at 28%, 21%, 15%, and 5% respectively.

Monthly spending: up to VND 3.0 million accounts for 35%; over VND 6.0 million amounts to 22%; while respondents who have spent VND 3.1 - 6.0 million represent 43%.

Entrepreneurial intentions industry: most of the participants startups in advertising and marketing at 45%, educational business roundly 24%, finance and accountant account for 21%, and similarities exist between food and beverage roundly 6%, and the other industry 4% participants.

4. Research Result

4.1. Exploratory and Confirmatory Factor Analysis

The first Exploratory Factor Analysis (EFA) of 36 observable quantities, dropped three observable quantities of the measurement scales, including EDS1, PEA4, and BPC1 of these factors of educational support (EDS), personal attitude (PEA), and perceived behavioral control (PBC) (EFA factor loading < 0.50). Then, in the second EFA, eight factors are extracted from 33 observable quantities and grouped into eight factors in the rotated component matrix with the Promax method, which conform with the

theoretical model as educational support (EDS), risk propensity (RIP), need for power (NFP), personal attitude (PEA), subjective norms (SUN), perceived behavioral control (PBC), self-efficacy (SEE), and entrepreneurial intentions (ENI).

The first Confirmatory Factor Analysis (CFA) of 33 observable quantities - after rescinding three observable, it continues to drop two observable quantities of the measurement scales, including RIP4 and PEA3 of these factors of risk propensity (RIP) and personal attitude (PEA) (CFA factor loading < 0.50). Next, the second CFA with 31 observable quantities as the manifest variables in the measurement model are assorted with the data - the CFA indexes as CMIN/df = 1.467; GFI = 0.902; NFI = 0.908; TLI = 0.968; CFI = 0.989; RMSEA = 0.043 (p-value = 0.000). Besides, the value of AVE for each element is larger than the square correlation coefficient (r²) respectively, detailed in Table 1. Thus, the measurement scales for all constructs are satisfactory. The value of Average Variance Extracted (AVE) ranges from 0.562 to 0.689. Hence, the measurement scales obtain the convergence value.

0.907; NFI = 0.923; TLI = 0.951; CFI = 0.981; RMSEA = 0.048 (p-value = 0.000). Hence, the model is sufficient to fit with the research data. The estimation is manifested in Table 2, including structural modeling and testing results. Under the entrepreneurial intentions of students, the paths from the factors of educational support (EDS), need for power (NFP), subjective norms (SUN), and perceived behavioral control (PBC) to the factor of self-efficacy (SEE) are statistically significance (p-value < 0.05). Therefore, the hypotheses of H1, H3, H5, and H6 are supported. The data does not support the paths from the factors of risk propensity (RIP), and personal attitude (PEA) to the factor of self-efficacy (p-value > 0.05). Hence, the hypotheses H2 and H4 are not supported. A path from educational support to entrepreneurial intentions (ENI) is statistically significance (p-value < 0.05). Thus, the hypothesis H7 is supported. Especially, the role of self-efficacy in entrepreneurial intentions is statistically significance (p-value < 0.05). Thus, the hypothesis of H8 is supported. Generally, six out of eight hypotheses are supported.

Table 1. Data and Square Correlation Coefficient Results

	AVE	C.R.	EDS	RIP	NFP	PEA	SUN	PBC	SEE
EDS	0.565	0.801							
RIP	0.675	0.835	0.030						
NFP	0.689	0.854	0.397	0.016					
PEA	0.562	0.796	0.124	0.045	0.211				
SUN	0.672	0.827	0.346	0.144	0.346	0.265			
PBC	0.624	0.813	0.213	0.117	0.226	0.117	0.244		
SEE	0.633	0.834	0.353	0.039	0.317	0.129	0.384	0.368	
ENI	0.601	0.809	0.246	0.047	0.303	0.247	0.408	0.197	0.329

AVE: Average Variance Extracted; C.R.: Composite Reliability

4.2. Structural Equation Modeling (SEM)

The estimation of maximum likelihood in Structural Equation Modeling (SEM) results with model scale indexes as CMIN/df = 1.532; GFI =

The findings provided that subjective norms has a significant impact on self-efficacy with a large influence ($\gamma = 0.390$), the follow by paths from perceived behavioral control, educational support,

Table 2. Structural Equation Modeling Results

H	Path	Estimate	SE	CR	p-value	Result
H1	SEE ← EDS	0.223	0.109	2.130	0.023	Supported
H2	SEE ← RIP	-0.050	0.057	-0.784	0.433	Not supported
H3	SEE ← NFP	0.193	0.084	2.034	0.032	Supported
H4	SEE ← PEA	0.030	0.077	0.456	0.648	Not supported
H5	SEE ← SUN	0.390	0.099	3.849	0.000	Supported
H6	SEE ← PBC	0.312	0.054	4.576	0.000	Supported
H7	ENI ← DES	0.230	0.079	2.431	0.005	Supported
H8	ENI ← SEE	0.416	0.078	4.288	0.000	Supported

SE: Standard Error; CR: Critical Ratios

Figure 1: Research Model and Testing Results



and need for power to self-efficacy ($\gamma = 0.312$, 0.223, and 0.193 respectively). Concomitantly, the data does not support the paths from risk propensity and personal attitude to self-efficacy. Distinctly, the impact of educational support on entrepreneurial intentions is significant ($\gamma = 0.230$). Self-efficacy has a significant impact on entrepreneurial intentions with the largest influence ($\gamma = 0.416$). Besides, the Structural Equation Modeling also provided that the model totally explained roundly 59.6% ($R^2 = 0.596$) of self-efficacy, and about 34.7% ($R^2 = 0.347$) of entrepreneurial intentions.

5. Conclusion

This work has elaborated on the role of self-efficacy in students entrepreneurial intentions. With the theoretical exploration and extension of

the Theory of Planned Behavior (TPB), entrepreneurial intentions, and related works, a model has been experimentally tested and supported by the research data from participants being students who have entrepreneurial intentions. Specifically, the research findings demonstrate that the factors of educational support, risk propensity, need for power, personal attitude, subjective norms, and perceived behavioral control have a relationship with self-efficacy, and the factors of educational support and self-efficacy have a positive impact on entrepreneurial intentions. With substantial support for the role of self-efficacy on entrepreneurial intentions, this study continues to contribute to the body of knowledge, and explore predictors of general behaviors, which are significant contributions ■

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VAI TRÒ CỦA SỰ TỰ TIN TRONG Ý ĐỊNH KHỞI NGHIỆP CỦA SINH VIÊN TRONG THỜI KỲ HẬU ĐẠI DỊCH COVID-19

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TÓM TẮT:

Nghiên cứu này xem xét vai trò của sự tự tin đối với ý định khởi nghiệp của sinh viên trong thời kỳ hậu đại dịch Covid-19. Tổng cộng có 205 mẫu khảo sát từ sinh viên được phân tích bằng phương pháp mô hình cấu trúc tuyến tính. Dựa trên lý thuyết hành vi dự định (TPB), ý định khởi nghiệp và các nghiên cứu có liên quan, kết quả nghiên cứu chỉ ra rằng các yếu tố như hỗ trợ giáo dục, xu hướng rủi ro, nhu cầu quyền lực, thái độ cá nhân, chuẩn chủ quan và kiểm soát hành vi có mối quan hệ cấu trúc với sự tự tin. Đồng thời, các yếu tố như hỗ trợ giáo dục và sự tự tin có tác động tích cực đến ý định khởi nghiệp.

Từ khóa: Covid-19, khởi nghiệp, sinh viên, sự tự tin.