

THE THEORY OF PLANNED BEHAVIOUR OF NASCENT ENTREPRENEURES

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ABSTRACT

The study was based on the theory of planned behaviour (TPB). The objectives of the study were to test whether the TPB can help explain the entrepreneurial intentions of rural university students in a South African context and to assess whether these students will have the intentions to start their own businesses in the future. The study was conducted by means of a survey using a structured questionnaire. The findings revealed that the TPB is a valuable tool in understanding entrepreneurial intentions, and that the majority of students intend to start a business in the future. The results suggest that the TPB could be a valuable tool for measuring entrepreneurial intentions as part of a comprehensive entrepreneurship development programme in rural areas.

Key words: Nascent entrepreneurs, Theory of planned behaviour (TPB), entrepreneur intention,

INTRODUCTION

Importance of the Topic of Nascent Entrepreneurship

Nascent entrepreneurship has received much attention in recent years, particularly because of heightened interest in new venture creation, and the increased understanding of the social and economic contributions of nascent entrepreneurs (Parker & Belghitar, 2006). New independent business creation is responsible for one-fourth to almost onethird of the variation in economic growth in almost all industrialized countries (Carter et al., 2003), and it is credited with boosting innovation and employment rates (Lichtenstein et al., 2007).

No consensus exists among entrepreneurship scholars regarding a universal. definition of entrepreneurship (Low, 2001; Shane & Venkataraman, 2000; Gartner, 1990). It is specifically because of this lack of a comprehensive definition of entrepreneurship that researchers have interested themselves in particular kinds of entrepreneurs (Hayek, 2012).

Nascent entrepreneurship has been explored in a variety of different contexts and through a multitude of different theoretical lenses. Furthermore, the creation of national databases focused on nascent entrepreneur's has attracted much interest on the part of entrepreneurship-, and other, researchers. This field is nevertheless in its infancy, and scholars are still trying to form a complete understanding regarding who nascent entrepreneurs are, and why they behave the way they do.

Existing Research on the Topic of Nascent Entrepreneurship

A review of extant nascent entrepreneurship research revealed that this discipline is still in its early stages; but that it has gained significant momentum in recent years (Hayek, 2012; Parker and Belghitar, 2006). This increased momentum can be primarily attributed to the growing number of national databases dedicated to the study of nascent entrepreneurs such as the Panel Study of Entrepreneurial Dynamics (PSED), as well as the significant social and economic contributions of nascent entrepreneurs that arise via new independent venture creation.

The definition of the nascent entrepreneur (NE) is vague, and at best cannot offer a convincing argumentation regarding the differences between nascent and non-nascent entrepreneurs. Not only are scholars still struggling with how to define a nascent entrepreneur, but they also lack consistency in defining the stage of the opportunity process at which nascent entrepreneurship takes place (Obschonka et al., 2011; Thompson, 2009; Diochon et al., 2007; Davidsson, 2006; Oviatt & McDougall, 2004). Perhaps this is linked to the fact that there exist only few databases concerned with nascent entrepreneurs. Consequently, researchers face difficulties in accessing data on nascent ventures (Newbert & Tornikoski, 2013), and are forced to match their definitions of nascent entrepreneurs according to the quality of the samples of nascent entrepreneurs that they had access to.

While the topic of nascent entrepreneurship has been studied from a vast number of different theoretical perspectives and in different contexts; it remains that most of the research has been quantitative in nature (Lichtenstein et al., 2007; Carter et al., 2003; Delmar & Davidsson, 2000). It is only in the USA and in a few other countries that quantitative studies have been conducted on databases dedicated specifically to the study of nascent entrepreneurs. Consequently, almost all the quantitative studies use large samples, which reveal very little about the characteristics of individual nascent entrepreneurs and fail to capture the experience.

REVIEW OF LITERATURE

The theory of planned behaviour (TPB) originates from the theory of reasoned action developed by Ajzen and Fishbein in 1980 (Ajzen 2005, 2012). It is regarded as the most influential and popular framework for the prediction of human behaviour (Ajzen & Cote 2008).

The TPB suggests that intentions are the most important immediate determinants of behaviour (Ajzen 2005, 2012). Since its introduction, the TPB has been empirically tested and validated in numerous studies, including studies that focused on the intention to start a business, the decision to grow a venture, and evaluation of the impact of entrepreneurship education (for example, Krueger et al. 2000;

Wiklund & Shepherd 2003; Gird & Bagraim 2008; Engle et al. 2010; Iakovleva et al. 2011; Muofhe & Du Toit 2011; Mueller 2011; Otuya, Kibas, Gichira & Martin 2013).

According to the TPB, entrepreneurial intentions are determined by the attitude towards the behaviour, subjective norms and perceived behavioural control (Ajzen 2005; Ajzen & Cote 2008). The intention to start a business derives from a favourable or unfavourable evaluation of doing so, perceived personal capability and perceived social pressure felt by an individual to perform or not to perform the behaviour.).

Previous studies that tested this theory (Liñán, Urbano & Guerrero 2011; Liñán & Chen 2009) found that subjective norms do not predict entrepreneurial intention but have an indirect influence by means of personal attraction and perceived behavioural control.

These findings corroborate those in Krueger et al. (2000); Li (2006) and Nishimura and Tristán (2011). Conversely, other studies reported full support for the TPB with regard to the three antecedents of entrepreneurial intention (Gird & Bagraim 2008; Mueller 2011; Angriawan, Connors, Furdek & Ruth 2012; Otuya et al. 2013).

RESEARCH OBJECTIVES:

The objectives of this study were:

To analysis theory of planned behaviour can help explain the entrepreneurial intention of rural university students.

To determine whether rural students will have the intentions to start a business.

To study the validity of entrepreneurial planned behaviour intention questionnaire in Tiruchirappalli.

RESEARCH METHODOLOGY

The primary data has been used with the help of questionnaire. The has been collected from through survey method .the research has collected data from 90 respondents as convenient sampling method. The secondary data has been collected from different news papers, magazines, web side,

DATA ANALYSIS AND INTERPRETATION

Demographic details of the respondents

Demographic factor	Variables	No of respondents	Percentage
Gender	Male	40	44
	Female	50	56
Age	18-21	18	20
	22-25	52	58
	26-30	11	12
	31-35	9	10
	Above35	-	-
Income(lakhs)	1-2	15	17
	2-3	18	20
	3-4	21	23
	4-5	16	18
	Above5	20	22
Education	Under matriculation	18	20
	Intermediate	15	17
	Graduate	32	36
	Post graduate	25	27
Start up experience	Yes	22	24
	No	68	76
Currently run business	Yes	12	14
	No	78	87

Source: Primary data

From the table 1 indicated that out of the total respondent 44% were male and 56% were female. Hence majority of the nascent entrepreneur are female.

The table shows that out of 90 respondents. Nearly 56% of the entrepreneur are 22-25 age are 18-21 age respondents were 20%. 12% of respondents age in 26-36 of the respondents .

From the table it is understood that 23% of respondents have income 3-4 lakhs, 22% of entrepreneur have a income between Rs. above 35 20% have a income of 2-3 lakhs ..

From the table showed that out of 90 respondents 36% of respondents were studied graduate. 27% of the respondents were studied post graduate. 20% of the respondents under matriculation and the remaining 17% of the respondents were only intermediate level.

From the table indicated that out of the total respondent start up business experience in 76% were yes and 24% were No. Hence majority of the nascent entrepreneur are Yes and currently run business of respondents 87% were No. 13% of the respondents in Yes.

CONCLUSION

The purpose of this study was to investigate the entrepreneurial intentions of based on the theory of planned behaviour. The results provide strong evidence that the attitude towards becoming an entrepreneur, perceived behavioural control and subjective norms predict the intention to start a business among rural university students in this study. The findings support previous research regarding the use of the theory of planned behaviour as a valuable model in predicting entrepreneurial.

While have supported the theory of planned behaviour, attitudes have a higher explanatory power than other antecedents on the intention of starting a business. Hence it can be suggested that the entrepreneurial avenues should be designed by seeing the geographical horizon of the respondents, their age, income, education, gender and start up business etc, as investors or customers are the key of success for any business.

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