

Measuring Entrepreneurship Intentions among Nigerian University Graduates: A Structural Equation Modeling Technique

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Abstract : Nigeria is a developing country with an increasing rate of graduate unemployment. This has triggered successive government administrations to promote the variety of programmes to address the situation. However, none of these efforts yielded the desired outcome. Accordingly, in 2006 the government included entrepreneurship module in the curriculum of universities as a compulsory general programme for all undergraduate courses. This is in the hope that the programme will help to promote entrepreneurial mind-set and new venture creation among graduates and as a result reduce the rate of graduate unemployment. The study explores the effectiveness of entrepreneurship education in promoting entrepreneurship. This study is significant in view of the endemic graduate unemployment in Nigeria and the social consequences such as youth restiveness and militancy. It is guided by the theory of planned behaviour. It employed the two-stage structural equation modelling (AMOS) to model entrepreneurial intentions as a function of innovative teaching methods, traditional teaching methods and culture. Personal attitude and subjective norm are proposed to mediate the relationships between the exogenous and the endogenous variables. The first stage was tested using multi-group confirmatory factor analysis (MGCFA) framework to confirm that the two groups assign the same meaning to the scale items and to obtain goodness-of-fit indices. The multi-group confirmatory factor analysis included the tests of configural, metric and scalar invariance. With the attainment of full configural invariance and partial metric and scalar invariance, the second stage - the structural model was applied hypothesising that, the entrepreneurial intentions of graduates (respondents who have participated in the compulsory entrepreneurship programme) will be higher than those of undergraduates (respondents who are yet to participate in the programme). The study uses the quasi-experimental design. The samples comprised 409 graduates (experimental group) and 402 undergraduates (control group) from six federal universities in Nigeria. Our findings suggest that personal attitude is positively related with entrepreneurial intentions, largely confirming prior literature. However, unlike previous studies, our results indicate that subjective norm has significant direct and indirect impact on entrepreneurial intentions indicating that reference people of the participants have important roles to play in their decision to be entrepreneurial. Furthermore, unlike the assertions in prior studies, the result suggests that traditional teaching methods have indirect effect on entrepreneurial intentions supporting that since personal characteristics can change in an educational situation, an education purposively directed at entrepreneurship might achieve similar results if not better. This study has implication for practice and theory. The research extends to the theoretical understanding of the formation of entrepreneurial intentions and explains the role of the reference others in relation to how graduates perceive entrepreneurship. Further, the study adds to the body of knowledge on entrepreneurship education in Nigeria universities and provides a developing country perspective. It proposes further research in the exploration of entrepreneurship education and entrepreneurial intentions of graduates from across the country's universities as necessary and imperative.

Keywords : entrepreneurship education, entrepreneurial intention, structural equation modeling, theory of planned behaviour

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