

**IMPACT OF INFLUENTIAL FACTORS FOR SOCIAL SCIENCES
UNDERGRADUATE'S ENTREPRENEURIAL INTENTION IN SRI LANKA**

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1. Abstract

Entrepreneurs play a key role in economic growth and job creation of a country. Sri Lanka has experienced two-digit unemployment rates for almost three decades. The unemployment among educated people has become the major reason for unemployment problem in Sri Lanka. Therefore developing entrepreneurship is a main strategy to reduce unemployment in Sri Lanka. Entrepreneurial intention is the primary and critical step towards predicting and developing Entrepreneurial activities. The Study investigated the Entrepreneur Intention among Social Sciences undergraduate's in Sri Lanka. Primary data were collected through structure questionnaires obtained from 100 undergraduates who are following degrees in Social Sciences of university of Kelaniya and secondary data were collected through central bank report, Population and housing survey report, books and magazines. Stratified random sampling method was used for data collection. Bar charts, pie charts and line charts were used to represent the data. Descriptive statistics and chi Square test were used for data analysis. This study concluded that Entrepreneur Intention among Social Sciences undergraduates is high in Sri Lanka. Degree Programme and government policies impact to the Entrepreneur Intention among Social Sciences undergraduates. It is recommended that the entrepreneurship Education should include Degree Programme and government should organize trainings and seminars to enhance the entrepreneur education.

Keywords: entrepreneurial intention, economic growth, unemployment, undergraduates

2. Introduction and research problem/issue

There is close relationship between the entrepreneur and resource utilization, and its role in the economic development of a society. Economists, planners, and governments all over the world are increasingly recognizing this phenomena and shaping their policies conducive to entrepreneurship development that translate into economic growth.

According to the Richard Cantillon defined an entrepreneur as “an agent who buys means of production at certain prices in order to combine them in to a product that he is going to sell at prices, which are uncertain (S.Gurusamy, 2009). David Holt defined an entrepreneur as an individual who assume the risk starting a new business, creative new product or service, and consequently profitable regard within a free enterprise system (Vohra, 2006). According to Gree and Thurnik (2003) entrepreneurship has been recognized as one of the tools that drives the economy of a country. Entrepreneurship creates new job opportunities, produce innovation and increase productivity. As a developing country Sri Lanka has identified the significant of entrepreneurship to solve

economic problems within the country. Entrepreneurial intention has become a strategy against unemployment, and a significant tool towards development. But unemployment among youth and educated people is increasing in Sri Lanka. Unemployment rate among the GCE (A/L) and above qualified category has increased to 9.2 per cent during 2015 from 8.1 per cent recorded in the previous year (central Bank, 2015). Some previous research has found that the entrepreneurial intention of social sciences undergraduates is less than entrepreneurial intention of management and sciences undergraduates. Therefore the problem is what the impact of influential factors for Social Sciences undergraduates' entrepreneurial intention in Sri Lanka. This research investigates the impact of educational support and political factors as influential factors to social Sciences undergraduates' entrepreneurial intention. The type of degree programme and syllabus of the degree programme have been considered as an educational support and government policies, government rules and regulation are considered as a political factor.

3. Research Methodology

The main objective of this study is to identify the impact of influential factors for social sciences undergraduates' entrepreneurial intention in Sri Lanka. Therefore the primary and the secondary data were collected for the study. Primary data were collected through structured questionnaires and secondary data were collected through central bank reports, Population and housing survey reports, books and magazines. Stratified random sampling method was used for collecting data. It is based on Departments which are included in the Social Sciences faculty in University of Kelaniya. Then the random sampling method was used to select persons to the sample. 100 undergraduates were in this sample. The structured questionnaires were distributed among selected sample. Bar chart, pie chart and line chart were used for representing the data. Descriptive and chi Square test were used for data analysis. SPSS software was used to analysis data. The hypothesis of the chi Square test is,

H₀₁: Degree Programme does not impact for Social Sciences undergraduate's Entrepreneurial Intention

H₀₂: Government Policies do not contribute for Social Sciences undergraduate's Entrepreneurial

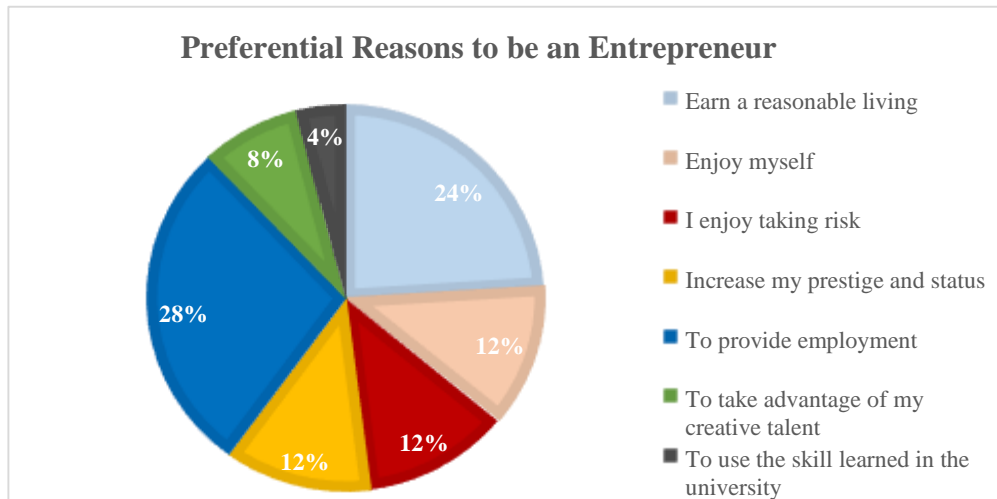
4. Results and findings

According to the data which were collected for this study there has so many factors that are related to the entrepreneurial intention among social Sciences undergraduates in Sri Lanka. Those are Demographic Factors, Economic Factors, Social Factors and Psychological Factors and Political and Legal Factors and Educational support. The study investigated that the impact of Degree programme as an educational support and government policies, government rules and regulation as a political factor to the Social

Sciences undergraduate's Entrepreneurial Intention. This study shows that there are 63% female undergraduates and 37% male undergraduates, because the female undergraduates are higher than male undergraduates in Social Sciences in University. Majority of undergraduates were included between 24-26 Age Level and 21% of undergraduates were included in above 26 age level. The Educational qualification is category as the degree programme which are conducted by the departments and Professional qualification with degree programme. There

are 62% undergraduates who are following special degree programme and 26% undergraduates are following general degree programme. There are 12% of undergraduates who are following Degree programme with Professional qualification. It implies that the considerable number of undergraduates of Social Sciences attempt to study some things than degree programme, because they already know that there is skill mismatch in labour market. This study shows that there were 83% of undergraduates who have intention to be an entrepreneur. It is very good approach to reduce unemployment among young educated people in Sri Lanka.

Graph 1.1: Preferential Reasons to be an Entrepreneur



Source : Survey Data, 2017

The graph 1.1 shows that 28% undergraduates have intention to provide employment through be an Entrepreneur. It is a very essential function of entrepreneur. Then the less number of responses show the intention to use skills learnt in university. It implies that the university degree programmes must be improve rather than present degree programmes. Then the investigated intentions among undergraduates, 88% undergraduates have the intention to be an entrepreneur and 12% undergraduates do not have intention to be an entrepreneur. Majority of undergraduates have strong intention to start a business someday. It takes 52% of undergraduates with entrepreneur intention. There are 27% of undergraduates that their professional goal is to be an entrepreneur.

And also 17% of undergraduates have intention to start their business next five years. There are 4% of undergraduates whose intention is to start a business next ten years. Hence it implies that majority of undergraduates in social sciences have good intention to be an entrepreneur. But 82% undergraduates said that there has no entrepreneurship oriented courses in the degree programmes. According to the chi square test the significant value between Degree programme and entrepreneur intention is 0.02. Therefore H_{01} is rejected. It implies that following Degree Programme impacts to the entrepreneur Intention among Social Sciences undergraduates. Then the chi square test the significant value between government policies and entrepreneur Intention is 0.008. It represent that government policies impact to the entrepreneur intention among Social Sciences undergraduates.

5. Conclusions, implications and significance

All result and discussion of this study were concluded that Entrepreneur Intention among Social Sciences undergraduates is high in Sri Lanka, because the majority of Social Sciences undergraduates have strong intention to start a business someday. According to this study it is found that Degree Programmes and government policies, government rules and regulation impact to the Entrepreneur Intention among Social Sciences undergraduates, because the null hypothesis of the study were rejected from chi square test. But majority of undergraduates said that there is no entrepreneurship oriented courses in the degree programmes. Therefore it is recommended that the Entrepreneurship Education should include into Degree Programmes and undergraduates should go for industrial attachments for at least a year during their study to gain valuable business and technical experience. Government should organize trainings and seminars to enhance the entrepreneur education.

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