

## **Entrepreneurial Orientation Among Tarlac State University BS-Entrepreneurial Students and Graduates**

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— *Review of* —  
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### **ABSTRACT**

This study determined the entrepreneurial orientation among entrepreneurship students and graduates of Tarlac State University- College of Business and Accountancy. This paper adopted the Entrepreneurial Orientation Questionnaire (EOQ) model developed by Liñán and Chen (2009) which attempted to overcome some of the eccentricities of previous instruments. The demographic profiles, professional attraction, social valuation, and entrepreneurial capacity were correlated to entrepreneurial orientation of the entrepreneurship students and graduates. The sample consisted of BS Entrepreneurship students and graduates of the Tarlac State University- College of Business and Accountancy in the Philippines. Data were collected from 75 students comprising 90% of the enrolled BS Entrepreneurship program and 75 graduates which is 81% of the whole population of alumni from the three-year period 2012-2015. The study contributes to the existing body of knowledge related to entrepreneurship and the concept of entrepreneurial orientation. The study revealed that only entrepreneurial capacity was strongly related to students and graduates' entrepreneurial orientation the paper is concluded by drawing implications to the current TSU-BS Entrepreneurship program.

**Keywords:** Entrepreneurial orientation, Entrepreneurship Intention, Entrepreneurship graduates, Entrepreneurship students

### **1. INTRODUCTION**

Entrepreneurship is renowned for its significance in providing opportunities for employment growth and economic development of a country. Relatively, the velocity of entrepreneurship varies from country to another. However, the established fact is that it has a clear and positive impact on economic growth. The entrepreneur is the driving force behind the economic development of countries (Hebert and Link, 1988). Consequently, in modern times, the success of societies primarily dependent on entrepreneurship which has become of vital importance not just for their survival but also for their sustainability (Audretch, 2007)

However, most of the studies conducted confined with respondents who are practicing entrepreneurs with established enterprises while ignoring promising entrepreneurs – the students and graduates. Therefore, it is difficult to have general findings with regards to graduates and students' entrepreneurial orientation. This study

was conducted to provide new platforms about the orientation of both students and graduates about entrepreneurship. In addition, there are limited studies conducted among students and graduating entrepreneurs' personal characteristic and behavior that have been contributed to the body of knowledge in the realm to predict entrepreneurial intentions and bring up more entrepreneurs.

Consequently, an assessment of entrepreneurial demographic background among the university students and graduates is a necessity in order to identify their level of entrepreneurial orientation. This group of people is very crucial as the building blocks to the current entrepreneurs in the province and to the country as a whole. However, time and again, majority of these students and graduates will immediately seek employment after graduation based on the recent tracer study ( Pavico, et. al., 2015) conducted that supposed to contribute more to the economic growth, not as salary workers but as entrepreneurs. Could it be that Tarlac State University- BS Entrepreneurship students and graduates lack entrepreneurial orientation? What factors would trigger students and graduates' interest towards active entrepreneurial decision making? What demographic factors significantly related to entrepreneurial orientation?

## 1.1 STATEMENT OF THE PROBLEM

This study aimed to assess the entrepreneurial orientation of BS Entrepreneurship students and graduates to entrepreneurial activities.

Specifically, this study sought to attain the following objectives:

1. To describe the demographic profile of BS Entrepreneurship students and graduates in terms of:
  - 1.1 Age;
  - 1.2 sex;
  - 1.3 marital status;
  - 1.4 number of children or dependent.
2. To identify the relationship between the demographic profile, professional attraction, social valuation, entrepreneurial capacity and entrepreneurial orientation of the entrepreneurship students and graduates.
3. To draw implications to TSU-BS Entrepreneurship program based on the findings of the study.

### Hypothesis of the Study

The interplay between the aforementioned constructs was incorporated with following hypotheses accordingly:

H1: There is no significant relationship between the BS Entrepreneurship students and graduates' entrepreneurial orientation and their demographic profile

H2: There is no significant relationship between the BS Entrepreneurship students and graduates' entrepreneurial orientation and their professional attraction.

H3: There is no significant relationship between the BS Entrepreneurship students and graduates' entrepreneurial orientation and the social valuation.

H4: There is no significant relationship between the BS Entrepreneurship students and graduates' entrepreneurial orientation and entrepreneurial capacity.

## 2. LITERATURE REVIEW

Entrepreneurial orientation is a mindset to decide and start a new business or venture creation. This conviction refers to the perceived ease of starting up a new firm as well as to the perceived viability of such a choice (Autio et. al., 1997). However, entrepreneurial behaviors occur when one's entrepreneurial conviction is high in relation to the perceived requirements of a specific opportunity. Past studies have proven that conviction stands out as the primary explanation and determinants to pursue entrepreneurial activities (Vozikis, 1994; Davidsson, 1995).

Miller (1983) was the first to define and scrutinize the phrase entrepreneurial orientation in terms of proactiveness, risk-taking and innovativeness. From here many researchers had integrated some other concepts that would compose the sphere of entrepreneurial orientation that include professional attraction, social valuation and entrepreneurial capacity (Reynolds, 1995; Autio, 1997).

Recently, the process-based approach of identifying entrepreneurial orientations has become prevalent and bombarded the literature. Moreover, concerns transcend to the realm of the person's professional attraction and alleviate the burden of taking risks that attempts to explain or predict entrepreneurial behavior (Krueger, 1993). Similarly, social valuation towards entrepreneurship ought to be approved and consented by those considered valuable to people prior to entrepreneurial activity exposure. It affects intention and thus behavior to pursue entrepreneurship. Entrepreneurial initiation proposes that the decision to initiate new venture also requires the capacity towards entrepreneurship and the perception that starting a new venture is viable. Entrepreneurial capacity requires at least a threshold level of perceptions of feasibility and desirability with some propensity to act upon the opportunity (Shapiro, 1975).

Entrepreneurial orientation signifies the effort that the person is willing to make to carry out that entrepreneurial behavior. This premise is based on three main motivational factors that influence the ultimate behavior (Linan, 2004; Linan & Chen, 2009). Attitude toward start-up refers to the personal liking or disliking towards becoming an entrepreneur; "Subjective norm refers to the perception that concerned people (family, peers) approve of the activity; and Perceived behavioral control refers to the perception of the ease or difficulty of becoming an entrepreneur. These cognitive factors provide an insight into the complex process of entrepreneurship" (Baron, 2004).

## 3. METHODOLOGY

The survey was conducted to find out the entrepreneurial orientation of both students and graduates of BS Entrepreneurship program of the Tarlac State University-College of Business and Accountancy. The main subject matter in this study is the entrepreneurial orientation as related to their professional attraction, social valuation, and entrepreneurial capacity. The personal background variables are assigned with nominal and ordinal values. The survey instrument is designed to obtain responses that would clearly show whether or not respondents have intent in pursuing entrepreneurial behavior. For the purpose, an Entrepreneurial Orientation Questionnaire (Linan & Chen,

2009) was adopted. The sample consisted of BS Entrepreneurship students and graduates of the Tarlac State University- College of Business and Accountancy. Data were collected from 75 students comprising 90% of the enrolled BS Entrepreneurship program and 75 graduates which is 81% of the whole population of alumni from the three year period 2012-2015. Data obtained from those 150 respondents were analyzed through the SPSS statistical package program and proposed relations were tested through correlation analyses.

#### 4. DISCUSSION AND ANALYSIS

##### A. Demographic Profile

The researchers used quota sampling technique (50%) of the whole respondents were students another half from graduate respondents to ensure fair representation of the population. The gender composition of the sample was 32% male (n = 48) and 68% female (n = 102), age ranging from 16-19 was 27% (n = 40) and 60% were aged 20-29 (n = 90), while the rest 13% was belong to age ranged from 30-39 (n = 20).

With regards to marital status, majority of the respondents were single (73% or 110); married (21% or 32); and the remaining 6% or 8 were single parent. This was manifested in their number of children or dependents, which most of them had no children or dependents (79% or 118) and the rest 21% or 32 had at least 1 to 5 children or dependents.

##### B. The Relationship between the Entrepreneurial Orientation to Other variables

TABLE 1  
Correlations Matrix of Variables

		PA1	PA2	SV	EC	EO
PA1	r	1	-.085	.075	-.70	-.043
	Sig (2- tailed)		.300	.364	.398	.604
	N	150	150	150	150	150
PA2	r	<b>-.085</b>	1	.056	.030	.043
	Sig (2- tailed)	<b>.300</b>		.493	.717	.605
	N	150	150	150	150	150
SV	r	<b>.075</b>	.056	1	-.027	-.087
	Sig (2- tailed)	<b>.364</b>	.493		.739	.290
	N	150	150	150	150	150
EC	r	-0.70	.030	-.027	1	.208*
	Sig (2- tailed)	.398	.717	.739		.011
	N	150	150	150	150	150
EO	r	-.043	.043	-.087	.208*	1
	Sig (2- tailed)	.604	.605	.290	.011	
	N	150	150	150	150	150

\*. Correlation is significant at the 0.05 level (2-tailed).

The correlation matrix is shown in Table 1. The results indicate that most of the variables were not significantly correlated with one another except for entrepreneurial capacity showing that there exist a strong relationship between entrepreneurial

orientation of students and graduates at .05 level of correlations. Therefore, except for entrepreneurial capacity, results in the acceptance of the null hypothesis.

This study also indicates that demographic variables, such as gender, age, marital status and number of children/dependents have not statistically provided sufficient evident correlations to students and graduates' entrepreneurial orientation. Thus, there is no support found to show the influence of other demographic variables on entrepreneurial orientations.

## 5. CONCLUSIONS

The study took into account the relationship of entrepreneurial capacity of both the students and the graduates to entrepreneurial orientation. The study revealed that only entrepreneurial capacity was strongly related to students and graduates' entrepreneurial orientation. Thus, the university should be involved in the very onset of BS Entrepreneurship program in honing the students and graduates preparation for entrepreneurial endeavor. Moreover, public policies and university planners should strengthen their activities to implement educational, research and resource programs on entrepreneurship for students and graduates as well.

Due to the springboards provided by education on the attitudes and aspirations of students, hence, this would implicate on the importance for the government and university policy makers to understand how to develop and nurture potential entrepreneurs even while they are still students for the fast advent of ASEAN integration. Parallel to the findings, review and updating of the entrepreneurship curriculum as well as the facilities needed should be in placed and consider all the market realities that affect labor demand and supply for a smooth entrepreneurial capacity learning of the students.

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