

**AN INVESTIGATION INTO THE BEHAVIOURS AND INTENTIONS OF
TERTIARY STUDENTS AND THEIR DECISION TO ESTABLISH AN
ENTERPRISE**

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Entrepreneurship Track

Competitive Paper

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ABSTRACT

Ireland is a small open economy, which is dependent on international trade. The Irish government has begun to focus on the development of smaller domestic firms as a source of future growth, which makes sense given the relevance of enterprise to the Irish economy. This is shown in figures such as over 97 per cent of businesses operating in Ireland today are 'small' – they employ fewer than 50 people. There are approximately a quarter of a million small businesses in Ireland, employing 777,000 people (Small Business Forum, 2006). Since Ireland depends on its nation being entrepreneurial for its economic growth and development, it is important to understand the career objectives of students at tertiary level in Ireland and the propensity of these students to establish a business or be self-employed sometime in the future. This therefore led to the participation in this study. The overall goal of this study is to examine, explain and discuss the behaviour and intentions of students in their decision to start entrepreneurial activities and found an enterprise. The objectives for this national study are therefore three-fold:

1. To determine start-up activities and career intentions of students.
2. To provide empirical proof on personal characteristics such as demographic data, personality, motives and abilities; and macro-economic characteristics such as course offerings, business sentiment.
3. To grasp start-up difficulties and processes.

The methodology adopted for this study was a survey administered via the Internet to. In order to implement the study, linkages with Ireland's Network of Teachers and Researchers (INTRE) was utilized in the formation of the database. This resulted in a stratified random sample of tertiary level institutions, including Universities, Institutes of Technology and Private Colleges, being collected. Data were collected from 248 third level students. This study presents some encouraging findings concerning entrepreneurship in Ireland. The study identifies that entrepreneurship is a potential career option for students either directly after completing their studies or within 5 or more years after graduation. Furthermore, the study highlights that Irish students display a number of skills and competencies necessary for entrepreneurship. The study identifies areas of improvement such as the development of selling skills, making students aware of the sources of funding available in Ireland and the incorporation of non-business students into the entrepreneurship classroom.

INTRODUCTION

Ireland is a small open economy, which is dependent on international trade. The Irish government has begun to focus on the development of smaller domestic firms as a source of future growth, which makes sense given the relevance of enterprise to the Irish economy. This is shown in figures such as over 97 per cent of businesses operating in Ireland today are 'small' – they employ fewer than 50 people and approximately a quarter of a million small businesses in Ireland employ 777,000 people (Small Business Forum 2006). Small businesses form an essential part of the supply chain for larger firms and in particular are part of the support infrastructure needed to attract and retain foreign investment. The performance of the small business sector is thus an important contributor to the overall quality of life and standard of living in the country (Small Business Forum 2006). Encouraging entrepreneurship education is therefore high on the agenda of the Irish government as entrepreneurs are catalysts of growth, generating capital, innovation and skills. Since Ireland depends on its nation being entrepreneurial for its economic growth and development, it is important to understand the career objectives of students at tertiary level in Ireland and the propensity of these students to establish a business or be self-employed sometime in the future.

RESEARCH AIM AND OBJECTIVES

The overall goal of this study is to examine, explain and discuss the behaviour and intentions of students in their decision to start entrepreneurial activities and found an enterprise. The objectives for this national study are therefore three -fold:

1. To determine start-up activities and career intentions of students.

2. To provide empirical proof on personal characteristics for example demographic data, personality, motives and abilities; and macro-economic characteristics such as course offerings, business sentiment.
3. To grasp start-up difficulties and processes.

ENTERPRISE EDUCATION

The universal aim of enterprise education is to help young people develop skills and attributes that allow them to be innovative and to identify, initiate and successfully manage personal and work opportunities, including working for themselves. Enterprise education develops young peoples' entrepreneurial skills, attributes and an awareness of how their community, including business and industry, works. Undertaking enterprise education encourages the development of skills and attributes that employers are looking for, such as teamwork, commitment and flexibility. Enterprise education broadens the student's knowledge base of available options outside of the normal academic options acquired from secondary education and provides an insight into the potential of becoming self-employed.

Tertiary level educators in business and entrepreneurship argue that enterprise education is fundamental for fostering lifelong learning for both students and for those already in business (Doyle 2006). Many of Ireland's Universities and Institutes of Technologies (IT's) have designated faculties and courses, such as MBA and postgraduate courses in entrepreneurship to nurture people to become better managers while also directing aspiring entrepreneurs to get on the business track. Enterprise education is infiltrating into all faculties as teachers are acknowledging how students, regardless of their course, need to explore enterprise opportunities and to become more inventive in their thought process while at the same time

translating this knowledge into clear enterprise action upon graduation. The spin offs of this is that students become more inventive, are enthusiastic about exploring opportunities and learn to become more enterprise driven, whatever their chosen field.

TERTIARY LEVEL EDUCATION IN IRELAND

Tertiary education in Ireland has a long history and an excellent reputation globally. In the academic year 2003/2004, 143,271 students were enrolled in full-time third level courses, which is one of the highest rates in the developed world (Department of Education and Science, 2006). There are four elements to the system of higher education in Ireland: the University Sector, the Technological Sector, the Colleges of Education¹ and the Independent Colleges. The first three of these are public and funded by the State. Universities in Ireland are mainly involved in the delivery of undergraduate and post-graduate degree programmes; at undergraduate level, teaching is given in the form of lectures backed up with tutorials, practical work and the writing of a thesis. Masters degrees involve more course work and research, and doctorates are research-based. Universities in Ireland award their own degrees and the Higher Education Authority, which works on behalf of the Department of Education and Science, oversees the system.

Within the Technological Sector (also known as Institutes of Technology) the Department of Education and Science has responsibility for this sector, which comprises fourteen Institutes of Technology, some of which were upgraded from Technical Colleges in the late 90's. The qualifications offered by these institutes have international recognition. They offer a wide range of courses from certificate level up to PhD. Ireland is an important player in the high

¹ Colleges of Education did not form part of the study.

tech industry such as computer software and pharmaceuticals and its technological learning facilities reflect this status; the science, technology and business departments are central components in Institutes of Technology.

An important part of the tertiary system of education in Ireland is the private sector; this comprises a wide range of at least twenty-five colleges validated by the Higher Education and Training Awards Council (HETAC). The courses offered by these institutions include a large number in the professional fields such as law, business, medicine and accountancy, as well as those in the humanities, tourism and catering. Some independent colleges are linked with public sector institutions, which provide accreditation for the courses, and the National Qualifications Authority oversees all accreditation in Ireland.

METHODOLOGY

For the purpose of this study, three sectors of the Irish educational system were utilised for the administration of the research instrument – an online questionnaire - those being Universities, Institutes of Technology and private educational colleges. The respondents for this study were identified through Ireland’s Network of Teachers and Researchers in Entrepreneurship (INTRE). Eleven academic institutions were randomly chosen to participate in the study. A total of 2,180 questionnaires were administered and 248 valid responses were returned, giving a response rate of 11.37%.

PROFILE OF THE RESPONDENTS

As previously mentioned, 248 valid responses were received from various tertiary level institutions in Ireland. Figure 1 below identifies the location of the respondents who completed the questionnaire and their level of studies.

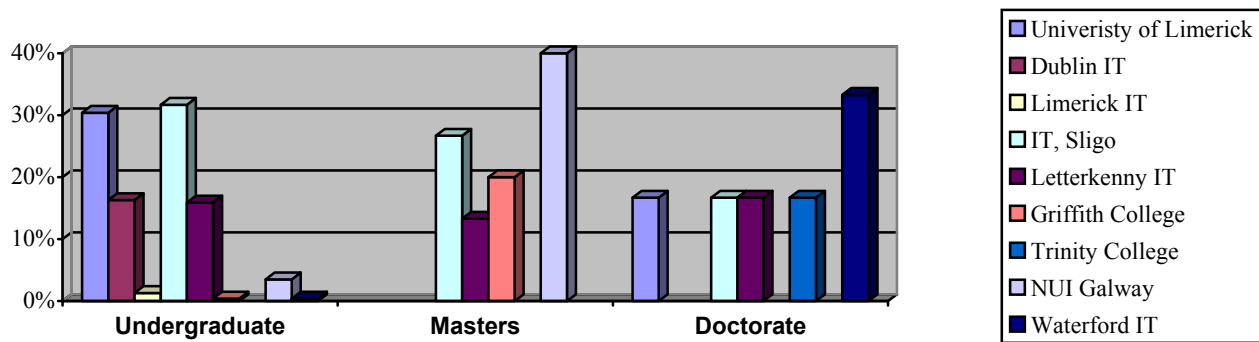


Figure 1 Name of Institution and Level of Study

Figure 1 illustrates that the majority of respondents were studying full-time at undergraduate level. The remaining respondents were studying at postgraduate level. All PhD respondents identified they were completing their studies on a part-time basis. The respondents at Graduate/Masters level were a mixed response of studying full-time and part-time. Respondents were questioned as to which field of study they were pursuing and the findings indicate that fields of study range from business to the sciences, to humanities, to engineering. However, the field of study that is most prominent with the respondents is that of business studies (53.6%).

GENERAL GOALS AFTER THEIR STUDIES

The questionnaire questioned the respondents as to which {main} activity they are striving for after they complete their studies. The two options open to the respondents were paid employment or self-employment. They were allowed to choose whether they hoped to achieve this directly after their studies (within 5 years) or 5 years or more after graduation. Table 1 identifies the responses for those who would like to work in paid employment, with a further analysis for when they would like to achieve this. Table 2 identifies the responses for those who would like to start-up their own business and the table is further analysed based on the timeframe of within 5 years or 5 years or more after graduation.

Table 1 Desire to Work in Paid Employment

	Directly after studies – within less than 5 years		5 years or more after graduation	
	Frequency	Percent	Frequency	Percent
Working in a micro business	13	9.5%	5	8.3%
Working in a small business	23	16.5%	10	16.4%
Working in a medium-sized business	31	22.3%	10	16.4%
Working in a big company	46	33%	19	31.1%
Working as a researcher	11	7.9%	6	9.8%
Working in civil service	15	10.8%	11	18%
Total	139	100%	61	100%

Table 1 above identifies that 139 respondents envisage going into paid employment directly after completing their studies. Some 33% of respondents highlighted that they would prefer to work in a big company, with 22.3% of respondents choosing to work in a medium-sized business; followed by 16.5% of respondents wanting to work in a small business. Some 61 respondents identified that they would like to go into paid employment some 5 or more years after graduation. Once again the majority of respondents (31.1%) choose working in a big company as the option for paid employment.

Table 2 below identifies the respondents who wish to go into self-employment after completion of their studies. Forty nine respondents envisage going into some form of self-employment within 5 years of completing their studies. Over 44% of respondents identified that they would like to start up a business or be self-employed directly after studies or within 5 years of completing their studies. What is good to see from the results is that 6% of respondents aim to continue with their founded business. A total of 135 respondents identified that they would like to go into self-employment 5 years or more after graduation. Within this finding, 55.4% of respondents identified they would like to see themselves as

being self-employed. Five percent of respondents identified that 5 years or more after graduation they envisage continuing on with their already founded business. Franchising is an option for start-up for 5.9% of respondents. Some 6.8% of respondents hope to invest in an existing company.

Table 2 Desire for Self-Employment

	Directly after studies – within less than 5 years		5 years or more after graduation	
	Frequency	Percent	Frequency	Percent
Getting on with family business	10	20.4%	3	2.2%
Taking over an existing business	1	2.1%	9	6.8%
Starting up a franchise	1	2.1%	8	5.9%
Investing into an existing company	2	4%	9	6.8%
Continuing with my founded start-up	3	6.1%	7	5.2%
Starting up a business/working as self-employed	22	44.9%	75	55.4%
Concentrate on family	10	20.4%	24	17.7%
Total	49	100%	135	100%

The Creation of a Firm

Respondents were asked if they have personally ever thought of starting up their own business. The majority of respondents identify entrepreneurial aspirations by stating that they have had thoughts of building their own business. Some 5.6% of respondents have already started with the realisation of starting their own business. What is heartening to see is that 20.2% of respondents believe that they are bound to be self-employed and are further determined to be. The responses did highlight that 18.1% of respondents have never thought of establishing their own business. For those respondents who have thought about starting their own business or those who have started their own business, they were further questioned

as to what steps they have taken in starting their own business and table 3 below identifies their steps taken.

Table 3 Steps Taken in Starting a Business

	Frequency	Valid Percent
No step taken	81	41.1%
Thinking through first business idea(s)	83	42.1%
Writing down first business idea(s)	47	23.9%
Developing a business plan	29	14.7%
Gathering start-up specific information	32	16.2%
Visiting start-up specific events	17	8.6%
Talking to potential sources of financing	15	7.6%
Determining a date of foundation	8	4.1%
A prototype of the product exists	8	4.1%

As the table above identifies, respondents have carried out a variety of steps in starting their own business however it appears that the majority of respondents are still at the feasibility stage. This finding is based on the fact that 16.2% are gathering specific information pertaining to starting up a business, 8.6% are visiting specific events pertaining to establishing a business; 7.6% are talking to potential sources of financing, 4.1% are determining the date for the foundation of the business and finally, 4.1% are in the process of developing a prototype of their product. Over 41.1% of respondents have identified that no steps have been taken in starting their own business. For those who are considering establishing a business they were questioned as to when they envisage establishing their business and Figure 2 below illustrates the results.

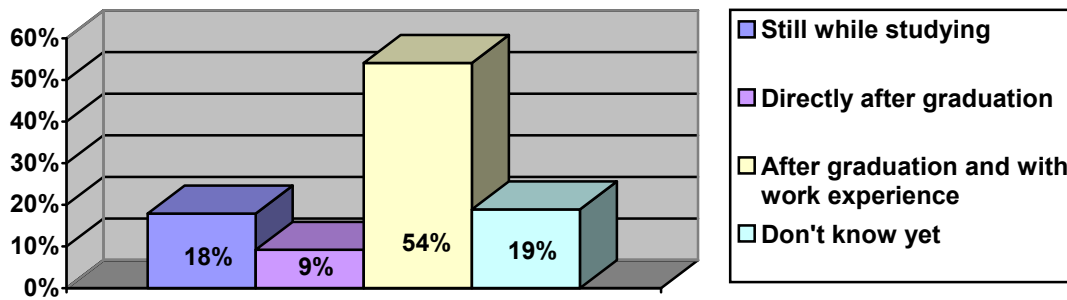


Figure 2 When do you Consider the Foundation of a Business (n=196)?

The majority of respondents identified that they would consider establishing their business after graduation with work experience. This finding echoes the results presented in Table 2 where the majority of respondents identified self-employment as a career option after 5 years or more work experience. Interestingly enough 18% would consider establishing a business whilst they are studying. This indicates that these respondents are confident enough that they have the skills and competencies in establishing a business before they graduate from university.

Respondents were next questioned about the industry in which they are planning to start up their business or have already started. The results indicate no specific sector is dominant for business start-up by the respondents. Ireland, up to the mid 1970's was an agricultural based economy, however the results reflect the trend of a narrowing of this sector in Ireland with business services (26.1%) being a popular industry sector for business start-ups by the respondents. However a worrying finding was identified, that being, little concentration on the manufacturing sector. Manufacturing correlates with the development of intellectual property and creativity of a nation. However, only 13.2% of those who responded envisage entering this industry sector.

Respondents were further questioned as to their experience of the industry in which they hope to establish or have established their business in. Some 49.8% of respondents indicated that they have no experience in the industry they hope to enter and 50.2% have experience. Respondents were questioned about the composition of the founding team. ‘Going it alone’ was chosen by 47.4% of respondents. This is a bit worrying, as these entrepreneurs will not receive direct support from like-minded entrepreneurs since they are going it alone. By having a team involved in the start-up of the company the team can ‘use the power of many’. Forming a team was chosen by 52.6% of respondents.

CLIMATE FOR ENTREPRENEURSHIP AT THE UNIVERSITY

A number of questions were posed to the respondents pertaining to the educational institution they are attending and the climate for establishing a business and whether entrepreneurship modules are offered to them during the course of their studies. Figure 3 below identifies how the respondents judge the climate and conditions at their educational institution in assisting them to start a business.

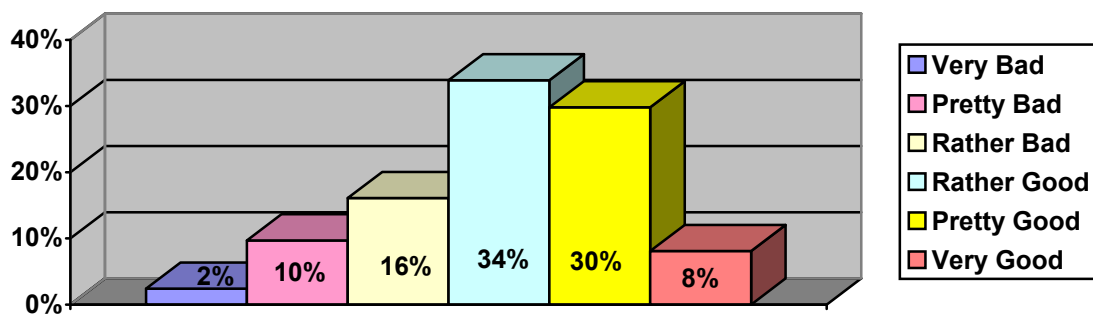


Figure 3 Climate and Conditions For Starting a Business at their University

The results depicted in Figure 3 above highlights the overall opinion that respondents were of the belief that the climate and conditions at their educational institution is good for assisting them in starting a business (72%). However, Figure 3 does identify that there is room for improvement within tertiary level education institutions in Ireland since 28% of respondents answered that the climate and conditions that help start a business is of some degree bad within their institution.

Lectures about Entrepreneurship

Respondents were asked if they have attended any lectures or events related to the area of entrepreneurship within their institution. Some 35.9% of respondents identified that they have not attended any lectures or events and 13.7% identified that such lectures or events have not been offered to them yet. However, 50.4% of respondents have attended lectures or events on the topic of entrepreneurship. Respondents were then asked what kind of support for starting up a business would they like to be offered by their institution. The most popular choice was that of providing coaching for starting up a business. The next most popular choice was that of providing business plan seminars. Respondents also would like general seminars and lectures on the topic of starting up a business; access to business game simulations, which focus on starting up a business; and opportunities to attend get-togethers and discussions with other young entrepreneurs (e.g. clubs). However, these findings indicate that the respondents are of the belief that the basic entrepreneurship concepts, such as business planning are not being offered by their institution. This indicates either a lack of communication by the institution or the institution not providing these opportunities whatsoever to potential entrepreneurs.

The Personal Background for Entrepreneurial Activities

This section of the study relates to the respondents personal background. Personal background was examined by looking at the respondents' personality, their locus of control; their motives; skills and competencies and finally their family background. Personality was examined by looking at two constructs: the 'Big 5' and locus of control. This section of the questionnaire was influenced by the models devised by Schallberger and Ventez (1999) and Krampen (1991). The 'Big 5' consists of: extroversion; compatibility; conscientiousness; emotional stability and the respondents' culture. The second construct of personality examined the respondent's locus of control.

Concerning extroversion, respondents were asked to rate their level of talkativeness, whether they were good-natured, their thoroughness, if they are sociable and if they are open. The majority of respondents to the questionnaire are extroverted. This is evidenced by the fact that 81.1% are talkative, 91.5% are sociable; 90.7% are companionable; 94% are sociable and 75.4% believe they are open and these are the factors that are normally associated with extroverted people. Compatibility was the next section of personality examined and 98.8% identified they are good-natured; 83.1% are forgiving; 80.2% are not selfish; 79.5% are peace loving; and 77.8% are soft-hearted. The results indicate that 22.2% are ruthless and the remainder are soft-hearted. Being in business requires a certain amount of ruthlessness and being soft hearted is not necessarily a good quality of an entrepreneur.

Conscientiousness examined the respondents' thoroughness; their tidiness; how exact they are; how conscientious they are and how orderly they are. The results indicated that 82.6%

display thoroughness, 82.7% are tidy; 83.5% are meticulous; 85.5% are conscientious and 85.9% are orderly.

Next the respondents were examined as to their emotional stability through examining their robustness, self-satisfaction; whether they are relaxed, if they are emotionally stable and their level of confidence. The majority of respondents believe they are robust (85.9%); 77% are self-content, 77% are relaxed; 92% believe they are emotionally stable and 88.7% are confident individuals. All these qualities are important for anyone establishing or running a business in today's business environment. The final section of personality relates to the respondents culture. Respondents were asked to evaluate their artisticness; their creativity; their originality; imaginativeness; and their level of intellect. Some 54.1% of respondents believe they are artistic; however 45.9% identified they are inartistic. Some 81.5% of respondents identified that they are creative individuals and 18.5% identifying they are not creative. Some 56.5% of respondents identified that they were original in their thinking however, 43.5% were conventional. Concerning imagination; 84.7% of respondents identified that they were imaginative and 15.3% saying they were unimaginative. The final question pertaining to this section examined the respondents' intellect. Surprisingly, 69.4% of respondents identified that they were intellectual with a corresponding 30.6% saying they were ignorant.

Locus of control

The final section of the personality element of the questionnaire, examined the respondents locus of control. The model that influenced the locus of control section of the questionnaire was that of Krampen (1991). Krampen's (1991) questionnaire of locus of control measures

respondents' general beliefs. Locus of control is a concept defining whether a person believes he/she is in control of his/her future or someone else is in control of it. For example, we all know people who believe they have no control over their lives. They believe that what happens to them is dictated by outside forces. People who feel they are victims of outside forces have an external locus of control – 'it's not my fault this happened to me''. By contrast, entrepreneurs have a very strong internal locus of control. They believe their future is determined by the choices they make. The following results indicate the respondents perception of their locus of control.

Table 4 Locus of Control

	Very true	True	Rather true	Rather false	False	Very false
Depends on if people act in accordance with my wishes	12.1%	34.7%	35.1%	12.9%	4.4%	0.8%
Whether I have an accident or not depends on me and my behaviour	16.1%	36.7%	25.8%	10.5%	6.5%	4.4%
When I make a plan, I am completely sure that the plan will become reality	7.3%	26.2%	39.9%	18.1%	4.8%	3.6%
I can best protect myself from diseases of my own behaviour	20.2%	30.2%	23.4%	15.3%	7.7%	3.2%
I myself can determine very much of what's going on in my life	23.4%	40.3%	27.4%	4.8%	2.8%	1.2%
Normally I can represent my interests myself and thereby achieve what I want	20.2%	39.9%	32.7%	6%	0.8%	0.4%
If I get what I want it the result of my endeavour and personal commitment	21.4%	37.1%	30.6%	7.7%	2.4%	0.8%
My way of life is solely dependent on my wishes and behaviour	15.3%	33.5%	32.7%	13.7%	3.6%	1.2%

As Table 4 above illustrates, the majority of responses are within the bracket of rather true to very true for the questions posed in this section of the questionnaire. This means that the

majority of respondents believe that they can control their own destiny and are not influenced by others or by outside forces. For example, the majority of respondents identified that if they were to have an accident this would be as a result of their behaviour and not an outside influencing factor. An overwhelming majority of respondents were of the belief that they can determine very much their own life. If the respondents were to have an external locus of control, meaning others determine things for them, thus not being very entrepreneurial, they would not have responded that they could determine their own life. The overall results that can be determined by this table is that the majority of respondents could be described as having an internal locus of control, which is one of the characteristics of being an entrepreneur.

Motives

This section of the questionnaire was influenced by findings from the studies conducted by the University of St. Gallen in 2003 and Kwf's study in 2004 and Kolvereid (1996). This involved examining the degree of importance of independence; leisure time; creativity, solution orientation and safety orientation. The respondents were asked to rate their motives in connection with their working life/career after their studies.

Concerning independence, the majority of respondents identified that freedom is very (45.6%) or pretty (32.7%) important to them. Therefore, within their working life they would like to have some freedom. In the majority of cases freedom is hard to find within a bureaucratic organization however freedom can be achieved through an entrepreneurial venture. 'Being your own boss' was viewed as being very important by 54.4% of respondents. Furthermore, 25.8% viewed this element of independence - being your own

boss - as being pretty important and 20.6% viewed it as being rather important. This therefore indicates that the majority of respondents would like to establish a business whereby they are the founder of the business. An overwhelming majority of respondents identified independence as being important. In order to achieve this motive the best avenue for the respondents is to establish their own business. The majority of respondents rated having autonomy of decision-making as important. If these motivating factors were to be achieved by the respondents the best avenue for them would be to establish their own venture.

The next motivating factor is that of leisure time. Within, leisure time, the majority of respondents rated having sufficient leisure time as important. This however is a difficult thing to achieve when starting and running your own business but it appears that even though respondents would like to be their own boss they are not willing to sacrifice their leisure time. This however is an oxymoron since running your own business does not leave one with much leisure time. Respondents viewed having a less stressful job as important. This would however be hard to achieve when starting or running your own business as typically the founder of a business must 'wear all the hats of the business' until it is well established. There was a mixed response as to not having too many extra hours as 55.3% deemed it as being important and 44.7% deemed it as unimportant. Having fixed and regular hours was deemed to be important by 61.7% of respondents. This however would be difficult to achieve, as entrepreneurs typically do not have a normal working day as when compared to people employed by others. The final question pertaining to leisure time questioned the respondents as to 'easy tasks'. The results indicate that the respondents like to have a challenge as 56.1% identified that having easy tasks was unimportant.

Creativity was another area of motives examined by the questionnaire. Respondents were questioned as to the importance of creating something and the connection with their future working life and the majority identified that this was important to them. Additionally, seizing advantages from creativity potential was deemed to be important (88.1%) by them. The last question pertaining to creativity was that of having challenges in their job. An overwhelming majority of respondents (95.5%) identified that they view challenges in the job as being a motivating factor for their choice of career. This is a refreshing finding because if one was to establish a business, the founder will be faced with a plethora of challenges. Safety orientation was another area of motives examined by the questionnaire. Respondents were asked as to the level of importance of job security and conditions of the job and their future career. The majority of respondents identified that job security (91.1%) was important to them as was stable conditions of the job (90.4%).

Skill and Competencies

This step of the creation process was influenced by the model of skills and competencies by Grichnik and Hisrich (2005). As Table 5 below indicates respondents appear to be quite positive in their response concerning their skills and competencies. An overwhelming majority of respondents identified that they can do the following either very well; pretty well or rather well: communicate; present; represent their opinion; co-ordinate tasks; develop alternative plans; delegate; co-operate with others; negotiate; organise and plan; handle numbers; handle technical devices. The majority also identified their literacy rates as being very well and their ability to interact with people as being very, rather or pretty well. The only skill and competency that emerged as being weak, in comparison to the aforementioned

skills and competencies, was that of selling. Some 79.5% identified that they could sell very, pretty or rather well.

Table 5 Skills and Competencies of Respondents

	Very well	Pretty well	Rather well	Rather bad	Pretty bad	Very bad
I can.... Communicate	35.9%	36.3%	23.4%	2.8%	0.8%	0.8%
I can....present	25.4%	38.3%	26.6%	7.3%	1.6%	0.8%
I can....represent my opinion	27.8%	41.5%	21.8%	7.3%	1.2%	0.4%
I can....co-ordinate tasks	28.6%	43.1%	21%	5.2%	1.2%	0.8%
I can....develop alternative plans	23.8%	41.1%	25.8%	7.7%	0.8%	0.8%
I can....hand tasks over to a 3 rd party	13.7%	35.5%	31%	12.5%	5.6%	1.6%
I can....co-operate with others	31.9%	41.9%	21.4%	2.4%	2%	0.4%
I can....negotiate	22.2%	42.7%	28.2%	5.6%	0.8%	0.4%
I can....sell	20.2%	26.6%	32.7%	14.9%	3.2%	2.4%
I can....organise and plan	30.2%	40.3%	21.4%	4.8%	2.4%	0.8%
I can....handle numbers	35.1%	31.9%	23%	6.5%	2.8%	0.8%
I can....handle technical devices	37.9%	35.1%	18.5%	5.6%	2%	0.8%
My literacy is....	46.8%	36.7%	15.3%	0.8%	0%	0.4%
My interaction with people is....	40.3%	41.4%	16.5%	0.8%	0.8%	0.4%

Family-Background

The final section of the personal background of the respondents examined the socio-demographic factors of the respondents' family, their age, and gender. The first socio-demographic factor examined if the respondents had grown up in an entrepreneurial family (i.e. their father and/or mother were self-employed) and Figure 4 presents the results of this question.

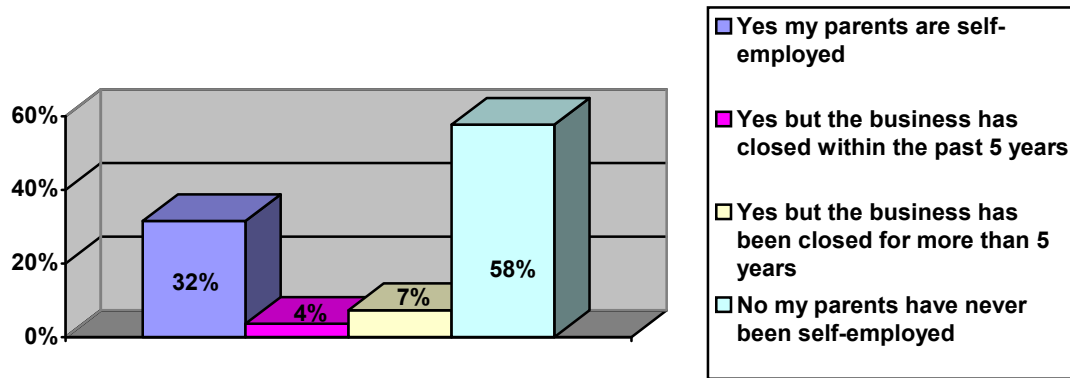


Figure 4 Did you Grow Up in an Entrepreneurial Family

Figure 4 above identifies that the majority of respondents (58%) have parents who have never been self-employed, with the remaining 42% having parents who were/are self-employed. Not having entrepreneurial parents does not preclude potential entrepreneurs from establishing a business in the future, however it does make potential entrepreneurs aware of the demands it takes to run and operate a business.

All respondents who had self-employed parents (42% or n=105) considered their business to be a family business. Thus, business start-ups by the parents of respondents have been with family members and most often than not as husband and wife teams (copreneurs). These respondents were further questioned as to whether they had positive or negative experiences as a result of their parents operating a family business. The findings indicate that 84% of respondents had positive feelings from their family business and only 16% of respondents having negative feelings.

Hurdles Facing a Company

The final section of this study identifies the views of the respondents pertaining to hurdles for starting up a business in Ireland and Table 6 below, illustrates the overall results.

Table 6 Greatest Hurdles for Starting Up a Business

	Very big hurdle	Pretty big hurdle	Rather big hurdle	Rather small hurdle	Pretty small hurdle	Very small hurdle
Lack of the right business idea	26.2%	20.2%	20.6%	16.1%	9.7%	7.3%
Complicated regulatory efforts	7.7%	12.5%	35.1%	26.6%	12.9%	5.2%
Own financial risk	22.6%	23.8%	24.6%	14.9%	10.1%	4%
Lack of courage	19%	19.4%	21.8%	19.8%	10.9%	9.3%
Lack of right founding partner	14.1%	18.5%	21.4%	24.6%	12.5%	8.9%
Lack of equity	21%	24.2%	24.6%	19.4%	6.9%	4%
Lack of dept capital	19.8%	25%	28.2%	16.1%	7.7%	3.2%
Know-how-deficit	10.9%	19%	25.4%	26.2%	13.3%	5.2%
Lack of contact clients/customers	14.1%	19.8%	28.6%	19.4%	12.1%	6%
Economic cycle	6%	12.9%	33.5%	29%	11.7%	6.9%
Business environment	6%	12.9%	31.9%	29%	12.9%	7.3%
Fear of failure	19%	19.4%	15.7%	21%	14.9%	10.1%
Support by family and friends	10.1%	8.9%	8.1%	21.8%	22.2%	29%
Lack of time	8.5%	19%	21%	19.8%	13.7%	18.1%
Lack of entrepreneurial skills	15.3%	14.5%	19.4%	20.2%	15.7%	14.9%

The findings presented in the Table above identifies that the biggest hurdles respondents see in starting up a business is that which is related to finance and funding. An overwhelming majority of respondents identified that the biggest hurdle for starting up a business is their lack of debt equity with financial risk coming a close second, followed by lack of equity. Other hurdles that respondents believe they may face when starting up a business were the lack of the right business idea; lack of contact with clients and customers and lack of courage.

Conclusions and Recommendations

As outlined in this study, Ireland is a country that is very entrepreneurial and is maintaining its lead in relation to its early stage entrepreneurial activity. The performance of the small business sector is thus an important contributor to the overall quality of life and standard of living in Ireland. If Ireland is to maintain its current entrepreneurial culture it is imperative to educate the entrepreneurs of the future. The findings of this study identify that entrepreneurship is being taught in all types of tertiary level institutions in Ireland i.e. Universities, Institutes of Technologies and private institutions. Additionally, entrepreneurship subjects are being taught at undergraduate, postgraduate and executive level, thus providing all levels of students (i.e. undergraduate, postgraduate, adult learners) with the skills and competencies to found a business and have self-employment as a career option. The findings of the study also identify that entrepreneurship is taught to interdisciplinary students thus enabling students, who are completing a non-business related field of study, the opportunity to learn how to found a business.

The study examined the respondents' goals after they completed their studies. For those whose goal it was to go into paid employment directly after completing their studies, 33% of respondents identified 'working in a big company', 11% to work in the civil service and 8% as a researcher. The remaining respondents identified the SME sector as the business choice for them, with 10% identifying the wish to work for a micro business, 16% in a small business and 22% in a medium-sized business. The conclusion that can be derived from this is that students do not see working in a micro or small sized company as a [primary] career choice for them. The recommendation posited here is that owner/managers of businesses classified as SMEs need to communicate to tertiary level students the benefits of working for a small business. Additionally, educators should be supporting the small businesses in their

message and give owner/managers of SMEs the opportunity to come and talk to students about operating and working for an SME.

For those whose goal it is to be self-employed *directly* after completing their studies (n=49), 45% identified that they would like to start up a business. However this figure almost doubled in its response when respondents identified self-employment as a career option 5 or more years after graduation (n=75). This is heartening to know that students would still consider self-employment sometime in the future. What can also be inferred from this finding is that students would prefer to work for a period of time in someone else's business before becoming self-employed.

Respondents were questioned as to whether or not they have had any thoughts of establishing their own business whilst studying. Only 18% of respondents identified that they had no thoughts whatsoever. What is encouraging to see is that the remaining 82% of respondents have had some thoughts or have started with the realisation and founded a business. This indicates that even at a young age Irish people are creative in their thinking and also see self-employment as a career option. The study however identifies that there is room for improvement within the academic institutions in Ireland for the creation of a climate for establishing a business. Even though it has been mentioned previously that Ireland's universities and IT's have designated courses on entrepreneurship, there is the possibility that some institutions do not offer such courses or where they are offered they are only offered to a select body of students. This is evidenced by the fact that 36% of respondents have identified that they have not attended any lectures or events on entrepreneurship with a further 14% saying that such lectures and events have not been offered to them yet.

The recommendations for tertiary level educators is that if entrepreneurship is not already part of their curriculum it should be considered as students from non-business courses are equally as likely to establish a business as a student studying within the business field. Additionally when entrepreneurship related events occur all efforts should be made to include the whole student body. Additionally, faculty should be appointed to these budding entrepreneurs as mentors so as to assist them whilst they are formulating, investigating and establishing their business.

The study examined the personal background for entrepreneurial activities with a focus on the respondents' personality, their locus of control, their motives, skills and competencies and the influence of the family background. The concept of personality was influenced by the study conducted by Schallberger and Ventez (1999), which examined models of personality. In applying elements of their models of personality to the respondents for this study, the findings indicate that the majority of respondents are extroverted; they are highly compatible and conscientious and highly stable in terms of their emotions. These findings are quite heartening as these personality traits are important for entrepreneurs when establishing and running a business.

One element of personality that did not score as highly as the other elements of personality was that pertaining to the respondents' culture. Artisticness was an element of culture examined and the majority of respondents (54%) identified they were artistic. However, 46% identified they were inartistic. Furthermore, 44% of respondents identified that they were conventional in their thinking. An important facet of entrepreneurship and new venture development is to be creative and original in your thinking as this is how the majority of new

business ideas evolve. Therefore, for educators it is important that creativity tools and techniques are taught to students so as to develop their creative thinking and become original in their ideas.

Next, respondents were questioned as to their locus of control. Krampen's (1991) model influenced the questions posed as to the respondents' locus of control. The key outcome of this section of the study highlights that the majority of respondents believe that they have an internal locus of control, which is a typical personality trait of an entrepreneur. The motives section of the personality construct was influenced by previous studies conducted by the University of St.Gallen, KwF's study in 2004 and the researcher Kolvereid (1996). This involved rating the degree of importance; leisure time; creativity; solution orientation and safety orientation in connection with their working life or career after their studies. Firstly they were asked to rate their views on the importance of independence and the majority of respondents stated that this was important to them. Previous studies have highlighted that a key-driving factor for founding a business stems from the desire for independence. Therefore the findings of this study concur with the results of previous research.

Leisure time was the second element of motives examined. Interestingly the findings of this study identified that the majority of respondents identified that having sufficient leisure time was important to them. However, being an owner/manager of a business it is hard to allocate leisure time in the first few years of starting a business. It is therefore important for educators to convey the demands of establishing and running a business and how this can impinge on one's leisure time. Additionally, having a less stressful job was important to the majority of

respondents. This however would not be the case when founding a business as running a business is an extremely stressful situation.

Creativity was also examined within the area of motives and the main finding was that creativity was important to them. Additionally, seizing advantages from creativity potential was deemed to be important by the majority of respondents. However, when one cross-examines this motive with that of the climate for creativity within the institution it identifies that even though respondents believe creativity is important to them they are not necessarily getting the opportunity within the tertiary level institution to learn and practice creativity. Therefore, educators need to ensure that the climate for creativity is enabled and communicated to students as they have a desire to learn and practice this. The final component of motives examined respondents views of challenges in their job and the majority viewed having a challenge as a motivating factor. This is encouraging because being an entrepreneur is a challenge and the respondents may relish this environment then. However, the results also indicate that an overwhelming majority of respondents identified that job security (91.1%) and having stable conditions (90.4%) was important to them. It is imperative that when educators are discussing self-employment as a career option with students that they explain how entrepreneurship is typically associated with uncertainty and that businesses which are newly conceived are often operating in a highly competitive and charged market which leads to unstable conditions in ones job.

The penultimate section on personal background examined the skills and competencies of the respondents. The findings from this section are quite positive in that the majority of respondents believe that they are very good at the skills necessary for dealing with customers,

for communicating and dealing with figures. However, selling emerged as a skill and competency that was weak in comparison to the other skills identified. The recommendation for educators is to ensure that a programme on selling is offered within the entrepreneurship curriculum as it is a skill that is necessary when establishing and running a business. The final section examined the family background of the respondents. The findings of this section appear to concur with the findings of other studies such as the Global Entrepreneurship Monitor Report for Ireland 2005, in that entrepreneurs come from entrepreneurial families.

The final section of the study examined the hurdles faced when starting a business. The key hurdles identified by the respondents were that of financing and funding a start-up business. Within financing and funding a business, the respondents identified their lack of debt equity as being an issue along with the burden of the financial risk associated with starting a new business. Following on from this was the lack of business ideas; lack of contact with clients and customers and lack of courage. These hurdles however are easily overcome by providing students in tertiary level education with the following:

- A forum in which they can meet representatives from government grant agencies such as the local Enterprise Boards; Enterprise Ireland etc.
- Provide seminars by the national banks on what they see as good business ideas and plans. Local accountants can provide seminars on financial matters.
- The result of providing these forums and seminars should enable students to be more aware of the financial issues facing their business but also the means by which they can avail of funding.

- The pedagogy of entrepreneurship courses in Ireland should enable students to give presentations; participate in group work and have feedback sessions with their peers. By providing this type of pedagogy it should enable students to develop their self-confidence.

The overall conclusion that can be derived from this study is that entrepreneurship is very much a part of the Irish psyche and is considered by students as a potential career option. The study identifies areas of improvement with accompanying recommendations to solve these issues.

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