THE IMPACT OF PAYOFF, SOCIETAL CONTRIBUTION, AND CONVICTION TO ENTREPRENEURIAL INTENTION AMONG CHINESE STUDENTS IN UNIVERSITI UTARA MALAYSIA

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ABSTRACT

The purpose of this study is to analyze the influence of payoff, societal contribution, and conviction on entrepreneurial intention among Chinese university students based on the Theory of Planned Behavior. The current efforts by the government of China to increase interest in entrepreneurship among Chinese students in response to the growing challenges of poverty and unemployment have motivated the conduct of this study. The population of the study covers the Chinese students in Universiti Utara Malaysia. Using correlation analysis, this study has found that all variables (i.e. payoff, societal contribution, and conviction) are positively correlated to entrepreneurial intention. A more robust test by means of multiple regression, on the other hand, shows that among other variables, payoff positively and significantly influences entrepreneurial intention. This shows that payoff is the most attractive element for Chinese university students to engage in entrepreneurship. Thus, focus on payoff is crucial in order to promote greater interest for entrepreneurship among Chinese students.

Keywords: entrepreneurial intention, chinese students, payoff, societal contribution, conviction

ABSTRAK

Tujuan kajian ini adalah untuk menganalisa pengaruh ganjaran, sumbangan masyarakat, dan keyakinan terhadap kecenderungan keusahawanan dalam kalangan pelajar China di universiti berdasarkan Teori Tingkah Laku Terancang. Usahausaha terbaru oleh kerajaan China untuk meningkatkan minat dalam bidang keusahawanan dalam kalangan pelajar China sebagai tindak balas kepada cabaran-cabaran yang semakin bertambah contohnya kemiskinan dan pengangguran mendorong kajian ini untuk dijalankan. Populasi kajian ini merangkumi pelajar dari China di Universiti Utara Malaysia. Melalui analisis korelasi, kajian ini mendapati bahawa semua pemboleh ubah (iaitu ganjaran, sumbangan masyarakat dan keyakinan) mempunyai hubungan yang positif dengan kecenderungan keusahawanan. Ujian yang lebih mantap melalui analisis pelbagai regresi menunjukkan bahawa ganjaran memberi kesan yang positif dan signifikan terhadap kecenderungan keusahawanan. Ini menunjukkan bahawa ganjaran adalah elemen paling menarik bagi pelajar China untuk melibatkan diri dalam bidang keusahawanan. Oleh itu, tumpuan kepada ganjaran adalah penting untuk menggalakkan minat yang lebih mendalam terhadap keusahawanan dalam kalangan pelajar China.

Kata Kunci: kecenderungan keusahawanan, pelajar china, ganjaran, sumbangan masyarakat, keyakinan

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LIST OF ABBREVIATIONS

CIAC   Centre for International Affairs & Cooperation
DBA   Doctor of Business Administration
GDP   Gross Domestic Product
PhD   Doctors of Philosophy
SPSS   Statistical Package for the Social Science
UUM   Universiti Utara Malaysia
VIF   Variance Inflation Factor

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

China has initiated market reforms since 1978 which have helped the country shift from an economy that is centrally planned to an economy that is market based (World Bank, 2014). These market reforms have also lead to rapid economic and social development. China's average GDP growth of around 10 percent a year has improved the lives of more than 500 million people who used to live in poverty (World Bank, 2014). With an estimated population of 1.3 billion, China has recently risen to become the second largest economy in the world and it is increasing playing a significant and influential role in the global market (World Bank, 2014)..

However as compared to advanced countries, China is still considered a developing country having a per capita income which is very small and market reforms which are yet to be fully realized and completed. According to an official data, at the end of 2012 there are still an estimated 98.99 million people who are living below the national poverty line of RMB 2,300 per year (World Bank, 2014). This means that China ranks second after India of having the largest number of poor in the world and as such poverty reduction remains a fundamental challenge in China.

In 2014 China's GDP growth stands at 7.4 percent, which is considered desirable for most countries. However, for the government of China, much is yet to be done. Job

creation is a top priority. In the Report on the Work of the Government presented by Premier of the State Council Li Keqiang in March 2014, China requires high levels of growth of at least 7 percent to make sure that sufficient jobs will be available for 7.2 million college graduates and 10 million people who are arriving in the cities from the rural areas every year. Labor-intensive initiatives rather than capital-intensive investments which leads to problematic industrial overcapacity and soaring debt levels are seen as key solution in driving growth (Roberts, 2014).

In order to sustain its economic growth, China has to substitute its present growth model which is heavily reliant on abundant, cheap labor with a different comparative advantage which can set the foundation for a new, more sustainable growth strategy: entrepreneurship (Yang, 2012, Bastin, 2014). It was no less than Premier Li Keqiang who recently promised to have more policies that will boost entrepreneurial activity and support new start-up businesses across China. More specifically, more effective support is promised to student entrepreneurs who need to overcome a very difficult employment market in China (Bastin, 2014).

Given the appropriate policy intervention, entrepreneurship can lead to job creation and thus serve as a driving force for economic growth (Ashcroft & Love, 1996; Audretsch et al., 2006; Van Stel, 2006; Keilbach & Sanders, 2009). According to Global Entrepreneurship Monitor 2013 Global Report, entrepreneurship can contribute to the development of economy by having new businesses created. In return, these new businesses generate jobs, create variety, build up competitiveness, and may even improve productivity through technological innovation. Yang (2012) argues that the mechanisms of economic change pivot certainly on entrepreneurial

activity, which is true not only for capitalist societies but for other types of societies as well such as China.

The importance of developing entrepreneurship in China drives this research to investigate the factors that can affect the intention of Chinese students to become entrepreneurs. According to the Theory of Planned Behavior (TPB) by Ajzen (1991), which is a theory designed to predict and explain human behaviour in specific contexts, intentions are generally assumed to capture the motivational factors that influence a behavior such as establishing an independent firm. Intentions are indications of how much people are willing to strive and of how much effort they are planning put in so that they can carry out the behavior. Generally the stronger the intention to get involved in a behavior, the more probable must be its performance (Azjen, 1991).

Several researches have attempted to investigate the reasons for the formation of new businesses and entrepreneurial characteristics of people who are behind the creation of these new firms. It is critical to ask why some people choose entrepreneurship while others do not. Acs, Audretsch & Evans (1994) and Hofstede, (2004) have studied the likely motivations behind this behavior from the point of view of the individuals themselves in addition to economic and other elements surrounding their environment.

Some studies have also looked into the payoff obtained from selecting self-employment over traditional career opportunities. Eisenhauer (1995) and Douglas & Shepherd (2000) argue that individuals will opt for self-employment as a career

choice if the payoff derived from this option it is greater than the payoff obtained from being employed.

This study also incorporates societal contribution as an important determinant of entrepreneurial intention. This dimension is included since according Scheinberg & MacMillan (1988), McGrath et al. (1992), and Davidsson (1995), other-directed motivations may also be important for some entrepreneurs based on their cultures.

Finally, the conviction of an individual that starting and operating his/her own firm is a suitable alternative for him/her is another factor that influences entrepreneurial intention (Davidsson, 1995).

According to Bird, 1988 and Katz & Gartner, 1988, entrepreneurship certainly represents planned, intentional behavior which is open to research using formal models of intentions (Krueger & Brazeal, 1994).

1.2 Problem Statement

Most studies on entrepreneurial intention have focused on the socio-psychological perspectives of entrepreneurship (Guerrero et al., 2006; Fitzsimmons & Douglas, 2005; Wu & Wu, 2008; Pruett et al., 2009; Chen & He, 2010; Wang et al., 2011). Empirical studies on the relationship between payoff, societal contribution, and conviction and entrepreneurial intention among Chinese university students applying the Theory of Planned Behavior (Ajzen, 1991) have not been widely conducted. Studying the influence of payoff, societal contribution, and conviction to entrepreneurial intention will help to meet the gap in the research on entrepreneurial intention especially among Chinese university students.

According to Kuratko et al. (1997), explaining and predicting the entrepreneurial career choice remains an important research topic. According to Peng & Yang (2011), knowledge on entrepreneurship in China remains to be at infancy stage.

More recently, the government of China has been keen on promoting entrepreneurship among young Chinese. Accordingly, the numbers of young Chinese graduates who are having difficulty in finding jobs after they leave university are becoming higher. Entrepreneurship is seen as a viable alternative for these new graduates.

In a recent statement by China's Premier Li Keqiang at the 2015 World Economic Forum, he said that there is a need to encourage mass entrepreneurship among Chinese students. In response, the Chinese Ministry of Education (MOE) enjoined colleges to promote entrepreneurship among the students.

However, there remains to be real challenges for the growth of entrepreneurship in China. These include cultural bias associated with entrepreneurship as a decent life choice, inadequate market reforms, and risk in establishing one's own firm. Perception of payoff, ease of doing business, and risk seem to be among the top considerations on engaging into entrepreneurship. Having identified these problems, this study wants to analyse how payoff, societal contribution and conviction actually affects the entrepreneurial intention among Chinese university students.

In general, university students may be regarded as potential entrepreneurs, since they are nearly coming to a career decision point at which they have to decide whether to

be employed or pursue self-employment. The new products and processes which are essential for the foundation of new businesses are created from universities. Moreover university students, according to Veciana et al. (2005), are the most promising sources of entrepreneurship. Pruett et al. (2009) argue that focus on college students is important since these students are at the stage of one of life's major decision points in which they must think about their future careers.

1.3 Research Questions

Based on the discussion above, this research has been conducted with the aim to address and analyze the following questions:

1. What is the relationship between payoff and entrepreneurial intention?
2. What is the relationship between societal contribution and entrepreneurial intention?
3. What is the relationship between conviction and entrepreneurial intention?

1.4 Research Objectives

The general objective of this study is to investigate the relationship of payoff, societal contribution, and conviction to entrepreneurial intention. Specifically, it aims:

1. To identify the relationship between payoff and entrepreneurial intention.
2. To identify the relationship between societal contribution and entrepreneurial intention.
3. To identify the relationship between conviction and entrepreneurial intention.

1.5 Significance of the Study

Due to the significance associated presently to the entrepreneurial capacity as a foundation of competitive advantage and development of economy particularly in China, researches which are primarily concerned on the study and investigation of the start-up process is becoming more and more necessary. In relation to this, it is especially crucial to analyze the factors that affect the entrepreneurial intentions among Chinese students. Studying the determinants of entrepreneurial intention allows academicians, advisors, consultants, and policy makers to have a better understanding of how intentions are formed and how the beliefs, perceptions, and motives of business founders influence the intent to establish a new business. Hence, knowledge of the determinants of entrepreneurial intention can aid entrepreneurial training and policy making develop more effective means to shape the intention and improve the probability of the consequent behavior of new business creation in China.

1.6 Scope and Limitations of the Study

This study is focused on investigating the effect of payoff, societal contribution, and conviction to entrepreneurial intention. The study treats payoff, societal contribution and conviction as independent variables which in turn affect entrepreneurial intention, which is the dependent variable. In terms of respondents, the researcher chose Chinese students in Universiti Utara Malaysia.

1.7 Organization of the Study

This research consists of five chapters. The following is the summary of each chapter .Chapter 1 provides a background of the study and research problem. It then outlines the research questions, objectives, significance of the study, scope of the study, and finally it presents the structure of the research.

Chapter 2 provides the review of literature relevant to the study. It covers the explanation of the dependent variable which is entrepreneurial intention and independent variables which are payoff, societal contribution, and conviction.

Chapter 3 explains the framework of the research and it states the hypothesis. Moreover, it presents the research methodology and justifies methods that have been used in this study. Furthermore, it explains the population and sample of the study and the data collection and the development of the instrument. Lastly, it covers methods used for data analysis.

Chapter 4 presents data analysis, factor and reliability analysis, data screening and descriptive analysis. In addition, it presents the application of correlation and regression analysis techniques through the use of SPSS software (version 20).

Chapter 5 discusses the findings of this research including theoretical and practical contributions. It is then followed by conclusion of the research and recommendation.

1.8 Conclusion

This chapter has highlighted the economic as well as status of entrepreneurship in China. Although China has been economically developing, other initiatives are needed to be taken to ensure sustainable growth. Entrepreneurship is widely accepted as a driver of sustainable growth by having the potential of creating jobs for millions of Chinese who find it difficult to get employed. To help increase entrepreneurial activities in China, this study investigates the factors that affect entrepreneurial intention among Chinese university students. Since the research in entrepreneurship in China is still at infancy stage, this study believes that it will meet the gap in entrepreneurial research by analyzing the influence of payoff, societal contribution, and conviction to entrepreneurial intention among Chinese students.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The literature review covers the studies which used similar variables to explain the determinants of entrepreneurial intention. Moreover, to present the current landscape of research on Chinese students, the literature review also includes studies that were conducted on Chinese university students. The components of research framework are elaborated to get a better understanding of all the variables employed.

2.2 Entrepreneurial Intention

Entrepreneurial intention refers to the state of mind in which an individual aims to form a new business or create a new value driver inside an existing organization (Wu & Wu, 2008). Theory-driven models of entrepreneurial intentions have proven robust in predictive validity (Azjen, 1991; Krueger & Brazeal, 1994; Davidsson, 1995; Guerrero et al., 2006).

This study highlights the application of Theory of Planned Behavior (TPB) in explaining the influence of payoff, societal contribution, and conviction to entrepreneurial intention. According to Azjen (1991), TPB is a theory designed to predict and explain human behaviour in specific contexts. TPB postulates three conceptually independent determinants of intentions namely attitude toward the behavior, subjective norm, and perceived behavioral control. The attitude toward the

behavior refers to the degree to which a person has a favorable or unfavorable evaluation or appraisal of the behavior (Azjen, 1991). Subjective norm refers to the perceived social pressure to perform or not to perform the behavior (Azjen, 1991). And perceived behavioral control refers to the perceived ease or difficulty of performing the behavior and it is assumed to reflect past experience as well as anticipated impediments and obstacles (Azjen, 1991).

According to Davidsson (1995) entrepreneurial intention, which is the decision to establish a new enterprise, is assumed to have been planned and thought for a considerable amount of time and therefore intention precedes the action to do so. Nevertheless, there are instances when this intention is manifested only shortly prior to the actual decision, while in other instances the intention does not lead to actual behavior. Thus, entrepreneurial intention is believed to predict, even though imperfectly, the decision of individuals to start their own businesses.

Wu & Wu (2008) studied the relationship between higher educational background and entrepreneurial intentions among Chinese students. Using structural equation modeling, Wu & Wu (2008) tested for the development of entrepreneurial intentions using the data that were taken Tongji University students in Shanghai, China. Based on the results, it is found that entrepreneurial intentions among Chinese students can be determined by the combination of perceived behavioral control and personal attitude. On the other hand, subjective norm does not have a significant influence on entrepreneurial intentions of Chinese students.

Pruett et al. (2009) incorporate the influence of cultural, social, and psychological factors to entrepreneurial intention among students at universities in China, USA, and Spain. It is found that university students across cultures have similar view on motivations and barriers to entrepreneurship, although with some notable differences. Moreover, psychological self-efficacy is a main predictor, while only a small part of students' intentions is explained by cultural and social dimensions. The top three motivations to be an entrepreneur for all three groups are to get an opportunity to create and execute own ideas and to have independence.

Fitzsimmons & Douglas (2005) conducted a cross-country analysis of the influence of entrepreneurial attitudes and abilities on entrepreneurial intentions in China, India, Thailand and Australia. The samples of the study are the students who are just taking their first entrepreneurship class in MBA programs. It is found that entrepreneurial attitudes have significant influence in determining career choice in all countries with some differences in the relative importance of each of these attitudes. In addition, it is also found that there exist cross-cultural variations in the extent to which entrepreneurial intentions are explained by entrepreneurial attitudes. With regards to the Chinese students, the results show that income, ownership, independence, risk, and work effort, are important in predicting career decisions. It is found that Chinese students want higher income, greater ownership, more independence, less risk, and less work effort. On the other hand, entrepreneurial self-efficacy and human capital variables do not have significant influence in determining the variance in any of the entrepreneurial attitudes.

Chen & He (2010) investigates how strong ties influence entrepreneurial intention. It introduces important mediators such as various types of entrepreneurial self-efficacy to examine the relationship between strong ties and entrepreneurial intention. Conducting the study in three universities in central China, it is found that strong ties appear to increase the likelihood of intentions through enhancing an individual's entrepreneurial self-efficacy which is the belief that they can become successful in becoming entrepreneurs.

Wang et al. (2011) conduct their study in the context of college students' performance in US and China. It is found that propensity to act, perceived feasibility, and perceived desirability have influence on entrepreneurial intention. However it is noted that propensity to act does not have a direct influence on the intention, rather it is imposing the impact by the mediation of perceived feasibility and perceived desirability.

2.3 Payoff and Entrepreneurial Intention

Payoff refers to a composite of beliefs by a business founder regarding the anticipated workload, risk, and financial gain (Davidsson, 1995). According to Vroom (1964), payoff which concerns expected outcomes are normally included in an explanatory model according to the theory of microeconomic utility. Baumol (1990) explains how the entrepreneur actions at a certain time and place greatly depend on the reward structure in the market or on the existing rules of the competition that influence the payoff to entrepreneurship. It is suggested that individuals decide to become entrepreneurs if their utility is maximized by doing so. As payoff relates to the desired

outcome of workload, risk, financial reward, this directly links to the attitude towards the behavior of TPB.

Douglas & Shepherd (1999) equates payoff with satisfaction which depends on income and working conditions such as control in decision-making, exposure to risk, required work effort, and other working conditions related with that occupation. It is shown that there is a greater motivation for an individual to become self-employed if they have a more positive is the outlook of an individual towards work effort. Moreover, a person's appetite for risk affects the decision to become an entrepreneur. It is argued that the greater a person's tolerance towards risk is, the more likely he will choose to become an entrepreneur. Finally, those people who prefer more independence and control in decision making are more motivated to be self-employed.

Douglas & Shepherd (2002) employ conjoint analysis to analyze the decision policies, which is based on expected utility, of 300 alumni of Bachelors of Business degree of an Australian university. It is found that the intention to be an entrepreneur is stronger for those having more positive approach to risk and independence. In other words, the higher the risk tolerance of an individual and more positive is his/her approach towards autonomy in decision-making, the stronger is his/her intention to become an entrepreneur. Based on these prior studies, it can be inferred that there is a positive relationship between payoff and entrepreneurial intention.

2.4 Societal Contribution and Entrepreneurial Intention

Societal contribution concerns the extent to which respondents believe that the actions of entrepreneurs are valuable to society (Davidsson, 1995). The addition of this factor considers the findings of some studies that other-directed motivations may be relevant

for some entrepreneurs based on their cultures (Scheinberg & MacMillan, 1988; McGrath et al., 1992, Davidsson, 1995). According to Schumpeter (1934), it has been for a long while that entrepreneurship has been acknowledged as a tool for societal transformation particularly when an economy shifts from a certain technological phase to another. Societal contribution relates to the favorable impact of entrepreneurship to the society, and thus links to the attitude towards the behavior of TPB.

Reynolds & Miller (1987) identify three types of societal contribution, namely sales revenue, domestic exports, and job creation. Some entrepreneurs, according to Mair & Noboa (2003), are motivated by different reasons to determine and use a distinct type of opportunities. They further argue that the means of these kinds of entrepreneurs in pursuing opportunities may differ from common business approaches. The outcome that these entrepreneurs want to achieve includes both economic and social dimensions.

Using the data taken from students of business programs and students and alumni of science and engineering programs at three universities in Germany, Kuckertz & Wagner (2010) apply ordinal probit models to analyze the relationship between societal contribution and entrepreneurial intention. It is noted that entrepreneurship is important to advance social causes which have bigger and long-term impact in improve sustainability of doing business. The researchers argue that perception of the importance and value of a sustainable society and business environment can influence the intention of individuals to become entrepreneurs.

Thus in line with values and ethical principles of the students, it can be assumed that social contribution can have a positive impact on entrepreneurial intention. In line with the empirical tests made, Germany, Kuckertz & Wagner (2010) find that indeed an individual's desire to contribute to society has a positive relationship with entrepreneurial intention. Based on these prior studies, it can be inferred that there is a positive relationship between societal contribution and entrepreneurial intention.

2.5 Conviction and Entrepreneurial Intention

Conviction refers to the feeling that running someone's own firm would be a suitable alternative for himself/herself, based on his/her capabilities and life situation (Davidsson, 1995). The concept of conviction, on the other hand, is comparable to perceived self-efficacy that has been previously discussed in some theoretical studies (Krueger & Carsrud, 1993; Krueger & Brazael, 1994; Boyd & Vozikis, 1994) and also in some empirical studies on entrepreneurial intentions and behavior (Scherer et al., 1989; Krueger, 1994). The concept of conviction is similar to perceived self-efficacy which is concerned with judgments of how well one can execute courses of action required to deal with prospective situations (Bandura, 1982). Thus, it is directly linked to the concept of perceived behavioral control of TPB.

The operationalization of the conviction, however, does not cover only measurements such as "I would manage (and like) running my own firm", but also measurements which suggest that such a decision would be influential in improving the economic standard of a person or in making it feasible to keep the chosen place of living (Davidsson, 1995). This conviction is according to definite general and domain

attitudes. General attitudes refer to broader psychological dispositions while domain attitudes are specifically concerned with entrepreneurship and owner-managed firms. Using a large sample of 35-40 years old Swedish subjects from 6 different regions, Davidsson (1995) finds that conviction has the strongest and most direct influence on entrepreneurial intention. Based on these prior studies, it can be inferred that there is a positive relationship between conviction and entrepreneurial intention.

2.6 Conclusion

Several studies have empirically investigated separately the relationship between payoff, societal contribution, conviction and entrepreneurial intention (Davidsson, 1995; Douglas & Shepherd, 2002; Kuckertz & Wagner, 2010). On the other hand, some studies on Chinese university students have applied general level of analysis on explaining the determinants of entrepreneurial intention (Fitzsimmons & Douglas, 2005; Wu & Wu, 2008; Pruett et al., 2009, Chen & He, 2010; Wang et al., 2011). Motivated by the economic benefits of entrepreneurship, these studies are important for this research as they attempt to explain the key determinants of entrepreneurial intention. In general, previous studies have shown that there is a positive relationship between payoff, societal contribution, and conviction and entrepreneurial intention. On the other hand, as compared to the previous studies, this study is unique because it tests in a single model the influence of three important variables namely payoff, societal contribution, and conviction to entrepreneurial intention among Chinese students. This study suggests that factors relating to financial rewards and psychological motivations are important in influencing entrepreneurial intention.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the research methodology to answer the research questions of this study. This has been designed accordingly in line with the outcome of the literature review discussed in the preceding chapter. The research methodology is developed to identify the relationship of payoff, societal contribution, and conviction to entrepreneurial intention. The following sections presents the research framework, hypotheses, research design, operationalization of variables, population and sample of the study, data analysis techniques, and preliminary testing procedures.

3.2 Research Framework

Figure 3.1
Research Framework
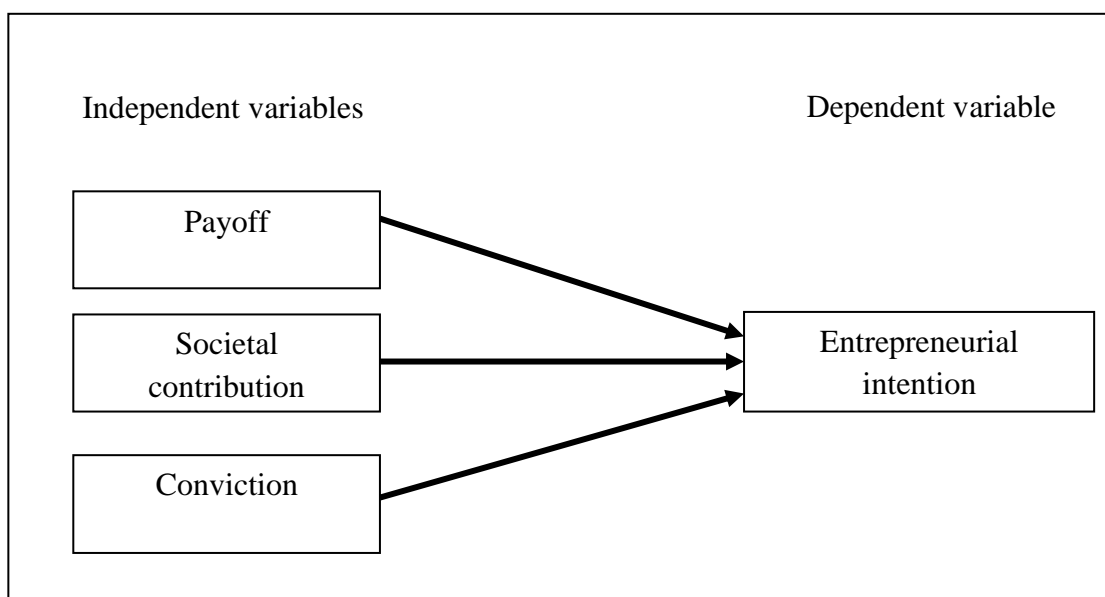
The research framework of the study is shown in Figure 3.1. The dependent variable for this study is the entrepreneurial intention of Chinese students in UUM. The independent variables refer to payoff, societal contribution and conviction.

3.3 Hypothesis

With reference to the identified research questions and research objectives, this study aims to empirically test different hypothesis pertaining to the relationship of payoff, societal contribution, and conviction to entrepreneurial intention. The following research hypothesis will suffice for this research work:

H1: There is a significant relationship between payoff and entrepreneurial intention.

H2: There is a significant relationship between societal contribution and entrepreneurial intention.

H3: There is a significant relationship between conviction and entrepreneurial intention.

3.4 Research Design

Primarily due to the descriptive, empirical and deductive nature of this study, quantitative research method is used. Questionnaires were used as the main quantitative technique. The type of this study is cross-sectional since the data used are collected in a single period from Chinese students who are registered in UUM for February 2015 semester. The unit of analysis for this study is individual.

3.5 Operationalization of Variables

The variables used in this study are operationalized using questionnaires developed in past research. For the dependent variable i.e. entrepreneurial intention, the questions developed by Linan & Chen (2006) were used while for independent variables i.e. payoff and societal contribution and conviction, this study uses the questions developed by Davidsson (1995). This study uses a five-point Likert scale ranging from (1) "Strongly Disagree" to (5) "Strongly Agree". The respondents are also asked to provide details regarding their gender, programme of study, and age in order to ascertain the diversity of the respondents of this study.

According to Sekaran and Bougie (2013), five-point Likert scale is just as good as others and it is easy to respond to. Appendix A provides the survey questionnaire of the study which also summarizes the items used to operationalize the variables. The questionnaire used in this study also includes Chinese translation by native Chinese speakers.

3.6 Population and Sample

The population of interest of my research was restricted to Chinese students in UUM. The sampling frame that is used in this study is the list of Chinese students who are currently registered for February 2015 semester. The list of students is obtained from the UUM Centre for International Affairs & Cooperation (CIAC). From this sampling frame, I use simple random sampling which is a probability sampling design in which every single element in the population has a known and equal chance of being selected as a subject (Sekaran, 2003). Currently, there are 250 Chinese students

registered for February 2015 semester. According to the Sekaran (2003), with a given population of 250, it is sufficient to choose 152 samples.

3.7 Data Analysis Techniques

There are many techniques employed in the analysis, namely, screening the data before data analysis and choosing the proper strategy for data analysis (Sekaran, 2003). Data screening was done to ascertain errors in data entry and to examine how appropriately the data meets the statistical assumptions which involves missing data, treating outliers, descriptive statistics of variables, normality, linearity, homoscedasticity, independence of error, and multicollinearity.

3.7.1 Data Screening

Data screening was carried out to ensure that the results of the analysis can be validly interpreted (Meyers et al., 2012). Data screening process contains a number of steps in order to ensure that the characteristic of data may not negatively influence the results.

3.7.1.1 Treatment of Missing Data

Missing data is an essential step before testing the collected data. It is considered a vital part before data analysis since data is often riddled with mistakes and data entry errors which completely affect the results of analysis result (Hair, Anderson, Babin, & Black, 2010; Pallant, 2013). Prior to examining the research hypothesis, variables were tested for accuracy of missing values, data entry and satisfaction of the assumptions for multivariate analysis. Missing data refer to cases where valid values of one or more variables are entered by mistakes or are not available for data analysis,

especially multivariate analysis (Hair et al., 2010).

In addition, lack of understanding of some questionnaire items, unwillingness to answer or an oversight of some items are issues that must be taken into consideration because of their negative impact on the results. In this research, the data have been collected using five-point Likert scale ranging from (1) "Strongly Disagree" to (5) "Strongly Agree".

3.7.1.2 Treatment of Outliers

Outlier detection is another essential step after the missing data checking in the data screening process which have a high influence on the result of any statistical data analysis. Presence of outliers affects the result of any data analysis (Sekaran & Bougie, 2013). There are many reason causing outliers including incorrect data entry. The use of any multivariate technique calls for the identification and treatment of outliers in the responses (Hair et al., 2010). The mahalanobis distance to detect the outliers was examined through Boxplot as recommended by Pallant (2013) and Meyers et al. (2012).

According to Pallant (2013), IBM SPSS defines points as outliers first, if it appears as little circle with a number attached (ID number of the case) which means it extend 1.5 box length from the edge of the box. Moreover, extreme points are shown with an asterisk, *) that extend more than three box-lengths from the edge of the box.

3.7.1.3 Normality

It is a statistical technique that shows the shape of the distribution of the sample. It is one of the initial steps and fundamental assumption for multivariate techniques such as multiple regressions. The aim of the normality test is to ensure that the data is normally distributed.

Normality is the primary assumption for multivariate techniques such as multiple regressions, indicating the normal shape of the distribution of the data for an individual metric variable. According to Hair et al. (2010), normality is the benchmark for statistical approach. The difference in the normal distribution is supposed to be small. For the large variation, this will cause all statistical measurements resulting from the analysis to be invalidated (Hair et al., 2010).

There are many ways to test whether the data distribution deviates from the normal distribution. One of these is Normal Q-Q plot which is used to distinguish the normality of the data. Data that has achieved the normal distribution on a normal probability plot will align the plots in a straight line (Coakes & Steed, 2003). Skewness and kurtosis however, are the most popular ways used by many researchers for describing the shape of the data distribution.

Skewness is an indicator that shows to what extent the distribution of data leans from the center (symmetry) around the mean (Hair et al., 2010). According to Hair et al. (2010), values of skewness that are outside the range of +1 to -1 imply a substantially skewed distribution.

Kurtosis is a test of flatness or peakedness of the data distribution. Negative values for kurtosis refer to shape flatter than normal while the positive value for the kurtosis refers to the data distribution more peaked than normal (Hair et al., 2010). Similar to skewness measurements, kurtosis is considered within a normal range if it fall anywhere between +1 to -1 (Fabrigar, Wegener, MacCallum, & Strahan, 1999; George & Mallery, 2006).

3.7.1.4 Linearity

Linearity, which refers to the linear relationship of variables, is a statistical technique that tests the extent the change in independent variable is linked with the dependent variable. Based on Hair et al. (2010), Meyers et al. (2012), and Pallant (2013), one of the ways of assessing the linearity is to run the regression and examine the residual value (scatterplots). When the plots are close to the diagonal line, it indicates linearity by looking at the residual plots from the SPSS result (Pallant, 2013).

3.7.1.5 Multicollinearity

Multicollinearity indicates the situation in which the independent variables are extremely correlated to one another (Sekaran & Bougie, 2013). According to Sekaran and Bougie (2013), correlation values of any study must be under the threshold of 0.70 while any correlation values that is higher than 0.70 indicates the presence of multicollinearity. Multicollinearity exists if there is high correlation between any individual predictor and another group of predictor variables (Mayer, 1999).

There are two measures for examining multicollinearity, either by tolerance (R) value and variance inflation factor (VIF) value where the recommended value of tolerance is 0.10 and for VIF are 10 (Hair et al., 2010; Sekaran & Bougie, 2013).

3.7.1.6 Reliability Analysis

Sekaran and Bougie (2013) define reliability as representing the internal consistency demonstrating the homogeneity of an item measuring the variables. The reliability analysis procedure gives information related to the relationship between individual items in the scale and their internal consistency and examines the properties of a measurement scale and the questions that make it (Pallant, 2013; Sekaran & Bougie, 2013). The reliability analysis of the factors was tested using Cronbach's Alpha in order to test the internal consistency reliability of the scales. For the purposes of the research, any Alpha value that is 0.6 or less generally means unsatisfactory internal consistency reliability, those exceeding 0.7, indicate acceptable reliability, and those over 0.8 are considered good (Sekaran, 2003). Thus, the higher the Alpha value or the closer reliability coefficient is to 1.0, the higher reliability of the measurement items will be (Sekaran & Bougie, 2013).

3.8 Descriptive Statistic Analysis

The descriptive statistics option in SPSS, namely, frequency and standard deviation, was used to understand the profile of the respondents. This technique presents a description of the overall responses obtained, and at the same time, it was used to examine the data for erroneous entries.

To identify the situation of each of the construct variables (dependent and independent), descriptive statistics, such as mean and standard deviation were used as a way of clarification. The mean value of the variables was obtained by measures on a five point Likert scale in which the greater the number of the said five point Likert scale, the greater the goodness will be for each variable. Values nearer to five are considered better, while values close to zero are considered bad. A score equal or more than 4 shows a high agreement with particular criterion; a score equal or less than 2 is considered as low, and a mean score of 3 is considered as a moderate agreement.

3.8.1 Correlation Analysis

Correlation analysis was used to determine the strength of the linear relationship direction between the variables, which can either be positive or negative (Pallant, 2013). The value of zero implies that there is no correlation between the two variables at all, while a value closer to +1 or to -1 implies a better correlation. The perfect correlation is +1 or -1 shows that value of one variable can be determined exactly by identifying the value of the other variable.

A positive correlation refers to a simultaneous increase in two variables. This means that if a variable increases, the other variable will also increase. On the other hand, if one variable increases while the other decreases, this indicates that there is a negative correlation between the variables. Correlation analysis provides an initial basis in determining the direction of relationship of payoff, societal contribution, and conviction with entrepreneurial intention.

Generally, the significance value for hypothesis tests is 5 percent. It means that 95 items out of 100, it can be ascertained that there is a real significant correlation between two variables. On the other hand, there is only 5 percent chance that the relationship does not actually exist. Therefore, in this study, the researcher assessed the correlation between two variables to examine a hypothesis indicating a significant positive relationship. According to Ajzen & Fishbein (1980), in social science, the *r* value that is greater than .20 is considered satisfactory and .30 to .50 are considered moderate correlation while those values that are larger than .50 reflect a strong correlation.

3.8.2 Multiple Regression Analysis

Multiple regression analysis is the study of how a dependent variable is related to two or more independent variables. Multiple regression analysis is performed to measure the relationship between several independent variables and the dependent variable (Pallant, 2013). Multiple regression analysis was also used to examine the data collected in this study because multiple regression analysis is appropriate when studying collective and separate contributions of two or more independent variables (Pallant, 2013).

In addition, it will also show how much of the variance in the dependent variable is being influenced by the independent variables through R square (R^2) that is obtained from the analysis. Multiple regression is performed to examine the direction of the correlation of payoff, societal contribution and conviction towards entrepreneurial intention.

3.9 Pilot Test

The researcher needs to administer the instruments to a small group of target respondents that have the same characteristics of the actual sample to carry out the pilot test (Sekaran, 2003). The objective of conducting such tests is to ensure that the questionnaire meets the goals of the research and the sample understands the instruments provided. In case the questionnaire fails to meet these goals, the researcher can adjust and amend the questions after the pilot study (McIntire & Miller, 2007; Lucky, 2011), and remove the unsatisfactory item from the instrument in collecting data (Sekaran, 2003). Lucky (2011) also asserts that pilot study determines the reliability and validity of an instrument. For example a researcher will be able to detect those questions that may not fit for the study or those that is beyond the understanding of the respondents.

Within the environment of this study, the instrument will be pretested to recognize the process of designing the questionnaire. Twenty (20) questionnaires are set for the pilot study. For this study the pilot questionnaires will be distributed to some Chinese students in UUM. The respondents are requested to answer the questions and provide their comments in order to test the validity and clarity of the questionnaire and avoid confusion. After collecting the questionnaires, it will be then tested using reliability analysis and factor analysis for validation to detect and remove those questions which are not fit or valid and reliable for the actual study.

3.10 Conclusion

This chapter discusses the research design which is based on the quantitative approach through the use of a structured questionnaire. In addition, simple random sampling is used in this study. The chapter also dealt with the validity issues through the use of a pilot study. The population, sample size, and the survey procedures are discussed along with the minimum sample size requirements. In addition, the current chapter also dealt with the statistical techniques used in the study such as descriptive, correlation, and multiple regression analysis. Moreover, the analysis use SPSS Version 20.0 and the results of the analysis are explained in the next chapter.

CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.1 Introduction

This chapter discusses the finding or the results obtained from the analysis using statistical package for the social science (SPSS version 20). The following sections presents the respondents profile and the results of data screening analysis and descriptive statistics analysis mentioned in Chapter 4.

4.2 Respondents Profile

This part of the study shows the background of the demographic profile of the respondents who is involved in the current study. The respondents profile includes, gender, age and level of study as shown in Table 4.1.

Table 4.1
Demographic Profile of the Respondents

Profile	Frequency	Percentage
Gender		
Male	52	35.1
Female	96	64.9
Age		
Below 20 years old	77	52.0
21 – 25 years old	60	40.5
26 – 30 years old	10	6.8
Above 30 years old	1	.7
Level of Study		
Bachelor Degree	109	73.6
Master	37	25.0
PhD/DBA	2	1.4

Table 4.1 shows that majority of the respondents were female, from the total of 139 respondents, 96 (64.9%) are female, while the rest are male (35.1%). From the total number of respondents, 52% are at the age of below 20 while 40% are between 21 to 25 years of age and the rest are 26 years old and above. In terms of level of study, majority of the Chinese students that are subject of the study are bachelor's degree (73.6%) while 25% are master degree and only 1.4% are on the level of PhD/DBA.

4.3 Data Screening

4.3.1 Missing Data

A frequency test has been carried out for every variable to detect any missing responses. According to this, all the returned questionnaires were found to be no missing responses. A review of the data set showed that there were complete responses in Section 1 (respondents profile) and Section 2 (factors associated with entrepreneurial intention) of the questionnaires.

4.3.2 Outlier Detection

Figure 4.1 shows the result of mahalanobis distance in the boxplot. The results show data sets or survey form number 7, 10, 40, 45, 68, 85, 86, 92 and 136 are identified as outliers. If points appear like this, the researcher has to decide what to do with them subjectively (Pallant, 2013).

Figure 4.1
Mahalanobis Distance
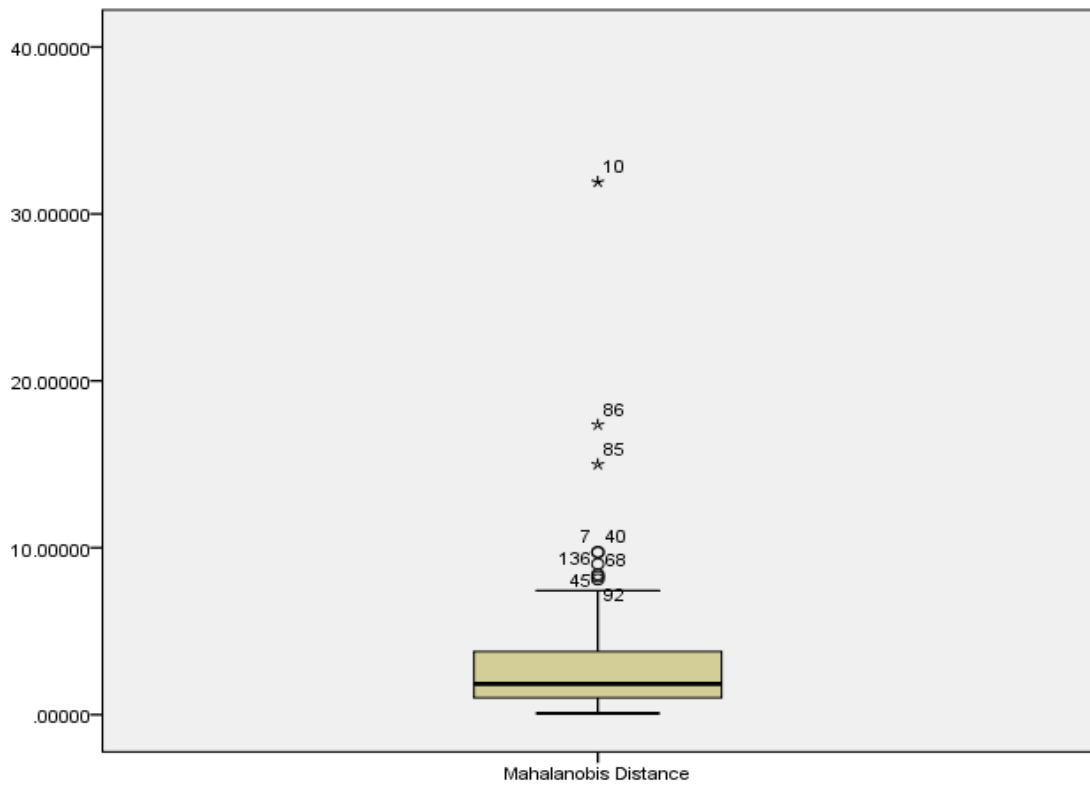
Thus, the data set or questionnaire identify as an outlier have to be discarded because it is possible that these respondents might have misinterpreted the instructions that may lead to inaccurate findings (Bhatti, Hee, & Sundram, 2012). However, if the researcher feels that the data set is very important for the research, the researcher can keep them for analysis (Hair et al., 2010; Pallant, 2013). For this study, the researcher subjectively removes nice data sets for accurate findings.

4.3.3 Response Rate

Table 4.2
Summary of Total Questionnaires and Response Rate

The sample size of the study	152
Returned questionnaire	148
Returned and usable questionnaire	139
Returned and unusable questionnaire	9
Non – returned questionnaire	4
Response rate	97%
Usable response rate	91%

Table 4.2 shows the response rate and useable questionnaire for this research. One hundred fifty two (152) questionnaires were distributed Chinese students in UUM. Out of 152 questionnaires, 148 were returned making the response rate of 97%. After a thorough checking of the questionnaire that returned, it shows that only 139 were useable for analysis. The questionnaires were ignore, incomplete, misinterpreted or fill in with mistakes. Hence, the useable response rate is 91% which is considered acceptable, which is relatively acceptable of what is suggested by Krejcie and Morgan (1970) as cited in Sekaran (2003).

4.3.4 Normality Test

Table 4.3
Summary of Skewness and Kurtosis Value of the Variables

Variables	Skewness		Kurtosis	
	Statistics	Std. Error	Statistics	Std. Error
Payoff	.495	.206	.208	.410
Social Contribution	.314	.206	-.145	.408
Conviction	-.261	.206	-.207	.408
Entrepreneurial Intention	-.481	.206	-.145	.408

Based on Table 4.3, the skewness values of all variables are within the +1 to -1 limit and kurtosis results indicate that all variables are within the +1 to -1 limit. Thus it can be concluded that the data of this study are normally distributed.

4.3.5 Testing Linearity, Homoscedasticity, and Independence Errors

Figure 4.2
Scatterplot of the Residuals

Scatterplot
Dependent Variable: MeanEntrepreneurialIntention
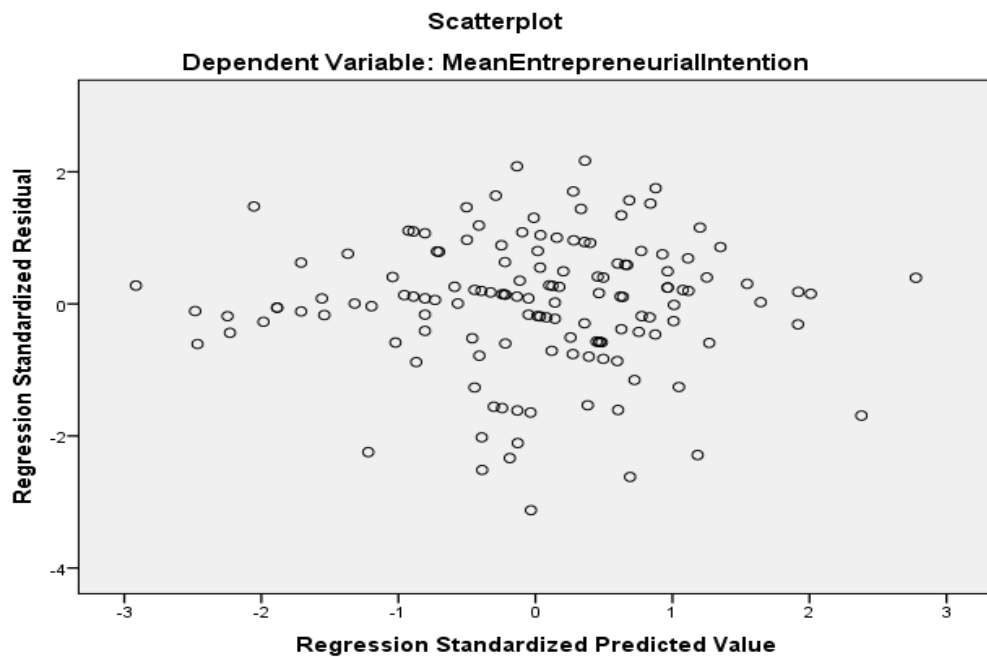
The scatterplot in Figure 4.1 shows that there was no apparent relationship between the residual and the predicted value. Since the scatterplot indicated no apparent relationship between residuals and predicted values, it confirms the assumption of linearity, homoscedasticity, and independence of residuals.

4.3.6 Multicollinearity

Table 4.4
Testing for Multicollinearity on Assessment of Tolerance and VIF Values

Variables	Tolerance	VIF
Payoff	.768	1.302
Social Contribution	.719	1.390
Conviction	.910	1.099

Based on the multiple regression analysis which is illustrated in Table 4.4, the results shows that the tolerance value range between .719 to .910, and the variance inflation factor (VIF) value was ranging from 1.099 to 1.390. The results show that the tolerance value is considerably greater than 0.10 and the VIF is less than 10. Thus, it can be ascertained that there is no problem of multicollinearity among the chosen variables.

4.3.7 Reliability Analysis

Table 4.5
Results of Reliability Analysis and Variance Extracted for Study Variables

Variable	No. of items	Reliability Cronbachs' Alpha
Entrepreneurial Intention	6	.838
Payoff	9	.748
Social Contribution	4	.703
Conviction	5	.723

All the findings resulting from reliability analysis both from pilot test (please see Appendix B) and actual study test are reliable and demonstrate internal consistency. The actual study is ranging from .703 to .838. The variable demonstrate acceptable value as presented in Table 4.5 and the Alpha value are greater than 0.7. These findings indicate that all the variables demonstrate good reliability.

4.4 Descriptive Statistics

Table 4.6
Descriptive Statistics for Entrepreneurial Intention

N	Component	Mean	Std. Deviation
139	Entrepreneurial Intention	3.4544	.70448
139	Payoff	3.6325	.42675
139	Social Contribution	3.3345	.53038
139	Conviction	3.1036	.39221

Table 4.6 illustrates the mean and standard deviation of the variables model. For this study, the mean value is generally moderate in nature respectively. The mean score between entrepreneurial intention, payoff, social contribution and conviction range between 3.10 to 3.63.Those values are reflect some agreements on entrepreneurial intentions among UUM Chinese students. The core of standard deviation ranges between .39 for conviction to .70 for entrepreneurial intention. Those values imply that there is variability in answering the questionnaire among the respondents. In other words, the answers of the respondents are somehow different from one respondent to another.

4.5 Hypothesis Testing

The construct variables were subjected to both correlation and multiple regression, whereas the study applied regression to entrepreneurial intention as dependent variable and payoff, social contribution and conviction as independent variables.

4.5.1 Correlation Analysis

Table 4.7
Correlation among Variables Construct

Variables	DV	IV1	IV2	IV3
DV- Entrepreneurial Intention	1			
IV1 – Payoff	.269*	1		
IV2 – Social Contribution	.263*	.481*	1	
IV3 – Conviction	.130*	.167*	.299*	1

*. Correlation is significant at the 0.05 level (1-tailed)

Based on Table 4.7, there is a relationship between payoff and entrepreneurial intention (r =0.269, p<0.05), perceived Social contribution and entrepreneurial intention (r =0.263, p<0.05), and conviction and entrepreneurial intention (r =0,130, p< 0.05). It is evident that the findings show that the three dimensions are positively correlated and expected a positive direction with the entrepreneurial intention at confidence level of 95% (p<0.05). However, based on results, the strength of the correlations among the variables are weak or satisfactory.

4.5.2 Multiple Regression Analysis

The multiple regression was performed to examine the contribution of the independent variables namely payoff, social contribution and conviction in predicting entrepreneurial intention as dependent variable. This analysis was used to test H1 through to H3 as shown in Table 4.8.

Table 4.8
Summary of Multiple Regression Result for H1 through to H3

	Unstandardized Coefficients		Beta Coefficients			R^2	F
	B	Std. Error	β	t	sig.	R^2	F
(Constant)	1.361	.624		2.180	.001	.429	4.875
Payoff	.303	.154	.184	1.970	.031*		
Social Contribution	.211	.128	.159	1.645	.102		
Conviction	.093	.154	.052	.605	.546		

Notes: ** $p < 0.01$, *$p < 0.05$

The three determinants explain 42.9 % (R^2 = .429) of the variance in entrepreneurial intention. The standardized coefficient beta (β) for payoff is significant and positive, indicating that there is a positive and significant relationship between payoff and entrepreneurial intention (β=.184, p<0.05). This supports the research hypothesis one (H1) that states "There is a significant relationship between payoff and entrepreneurial intention". Standardized coefficient beta (β) for social contribution (β=.159, p>0.05) and conviction (β=.052, p>0.05) are found to be insignificant since the significant value is above 0.05. Thus, this does not support the hypothesis two and three (H2&H3). The result of hypothesis testing of determinants construct is summarized on Table 4.9.

Table 4.9
Summary of Hypothesis Testing Result from Multiple Regression Analysis

	Hypothesis Testing	**Result**
H1	There is a significant relationship between payoff and entrepreneurial intention.	Supported
H2	There is a significant relationship between societal contribution and entrepreneurial intention.	Not supported
H3	There is a significant relationship between conviction and entrepreneurial intention.	Not supported

4.6 Conclusion

The data used in this study were obtained from 148 respondents which represented a response rate of 97% and several tests were used to analyze the data. Normality test was carried out and showed that the variables are normally distributed. All variables obtained reliable Cronbach's alpha, which gives support to the internal consistency of the study and the assumption of factor analysis were met. To determine the strength of the relationship between the variables, Pearson correlation was used. Multiple regression analysis was also conducted to determine the independent relations as well as the contribution of payoff, societal contribution, and conviction in predicting entrepreneurial intention. Respondent's comments and suggestions were considered in this study. The next chapter will discuss and conclude the findings of the study.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter summarizes and discusses the result of the analysis explained in the previous chapter and answers the research questions mentioned in chapter one. This chapter provides the discussion regarding findings, theoretical contribution and policy implication. This chapter ends with the conclusion of the study and recommendation for future research.

5.2 Discussion

The main focus of this study is to identify the factors that affect the entrepreneurial intention of Chinese university students. To identify the determinants of entrepreneurial intention is crucial in improving the efforts to engage students into entrepreneurship. Having increased level of entrepreneurial intention among students means greater motivation to actualize the behavior of establishing their own independent firms, which can improve employment conditions for themselves and in China in general.

In the context of Chinese students, this study empirically tests the influence of payoff, societal contribution, and conviction to entrepreneurial intention. Each of these three factors is important in developing a sustainable entrepreneurship culture in China. Payoff is the economic reward for entrepreneurship while conviction is the personal

preference on the suitability of entrepreneurship. Societal contribution is the drive to contribute to the greater community.

To gather data for the tests, one hundred fifty two (152) questionnaires were distributed in which 148 were returned (97%). After a thorough check of the returned questionnaires, it appeared that 139 (91%) were usable for analysis. Correlation analysis and multiple regression were conducted to answer the research questions of the study.

The correlation analysis shows that there is a positive correlation between the dependent variable (i.e. entrepreneurial intention) and independent variables (i.e. payoff, societal contribution, and conviction). This initially supports the hypothesis that payoff, societal contribution, and conviction have a positive relationship on entrepreneurial intention.

To make the test more robust, multiple regression was carried out. Based on the results of the regression, only payoff significantly and positively influences entrepreneurial intention among the Chinese university students. Supporting Douglas & Shepherd (1999), Douglas & Shepherd (2002) and Fitzsimmons & Douglas (2005), this study shows that entrepreneurial intention among Chinese university students is positively determined by the students' composite attitude towards workload, risk, and financial gain to be expected as an entrepreneur (β=.184, p<0.05). This findings support H1 which states that "There is a significant relationship between payoff and entrepreneurial intention." In other words, students who look at entrepreneurship to be financially rewarding with greater tolerance to risk and workload tend to more inclined to become entrepreneurs as compared to those who believe that

entrepreneurship is economically burdensome, very risky, and difficult. Thus, payoff is the strongest determinant of entrepreneurial intention among Chinese university students. This finding is also consistent with Ajzen (1991) who argues that in some cases, it possible to find that only attitudes towards the behavior (i.e., payoff) have a significant impact on intentions.

The justification for payoff being the top priority among the students in choosing to become self-employed has more likely to do with the present economic challenges facing China. With massive poverty and inadequate market reforms, it payoff, which takes into consideration financial rewards, risk and workload associated in engaging into entrepreneurship, is the most reasonable factor to be considered.

On the other hand, although they positively affect entrepreneurial intention, societal contribution and conviction are not significant. This study does not support the study of Davidsson (1995) and Kuckertz & Wagner (2010) who find that there is an individual's desire to contribute to society has a significant influence on entrepreneurial intention. Moreover, this is also in contrast to Davidsson (1995) who argues that conviction has direct influence on entrepreneurial intention. This may be attributable to different perspectives of Chinese students on societal contribution and self-conviction towards entrepreneurship as compared to Germans and Swedish covered by the study of Kuckertz & Wagner (2010) and Davidsson (1995), respectively. As argued by Wang & Juslin (2009) and Moon, & Shen (2010), Chinese in general have different view of societal contribution as compared to the Western concept.

5.3 Theoretical Contribution

This study has highlighted that payoff is the strongest determinant of entrepreneurial intention among Chinese students while societal contribution and conviction are not necessarily significant. This is a relevant contribution to the literature which purports that in most societies, payoff is particularly a key driver to influence a behavior, in this case in starting a new firm.

5.4 Practical Contribution

This study can be helpful to policy makers in China who are working to improve the interest of Chinese students on entrepreneurship. Policies that can effectively support entrepreneurship among students are major concerns in China. This study has shed light that the most effective means to attract students to pursue entrepreneurship is by enhancing their payoff that they can derive from starting their own firms. As a component of payoff, it is critical for the government to put into place policies that will ensure that the business environment for new entrepreneurs is conducive, less risky and profitable.

5.5 Conclusion

The current efforts by the government of China to increase interest in entrepreneurship among Chinese students in response to the growing challenges of poverty and unemployment have motivated the conduct of this study on entrepreneurial intention. This study particularly investigates the influence of payoff, societal contribution, and conviction on entrepreneurial intention among Chinese students in Universiti Utara Malaysia based on Theory of Planned Behavior. Using

correlation analysis and multiple regression, this study finds that among other variables, payoff positively and significantly influences entrepreneurial intention. This supports the findings of other studies such as Douglas & Shepherd (2002) and Fitzsimmons & Douglas (2005). This implies that the higher payoff is associated to engaging in entrepreneurship, the more likely students will have increased level of intention to become entrepreneurs. For Chinese students, payoff is the most attractive element to engage in entrepreneurship. This seems to be a natural response and attitude among Chinese students who are about to face the practical problems of life as well as social problems like the glaring poverty in China and inadequate market reforms. The findings of this research have important implications on policies of the government in promoting entrepreneurship. The government must ensure competitive returns for entrepreneurs and conducive business environment in which new entrepreneurs can effectively and efficiently manage risk and workload.

5.6 Recommendation

With regards to recommendation for policy implementation, as supported by the findings of the study, it is recommended that the Ministry of Education can take further steps in supporting entrepreneurial activities and education by highlighting the considerable payoff one can get from entrepreneurship. More so, the Ministry of Labor can also put into place policies that make it encouraging for young entrepreneurs to establish their own firms. Low-cost loans as well as government-sponsored entrepreneurial trainings, fairs and other activities may be implemented to boost greater enthusiasm among the aspiring entrepreneurs.

As identified in this study, societal contribution is an important aspect for sustainable entrepreneurial culture. This study has highlighted the importance of contextualizing the importance of societal contribution based on the perspectives of Chinese students. Thus, it is recommended for future study to integrate the emerging research on corporate social responsibility (CSR) that is based on Chinese view, in contrast to the western view of CSR (Wang & Juslin, 2009; Moon & Shen, 2010).

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